BASE PROSPECTUS

INTESA SANPAOLO S.p.A.

(incorporated as a società per azioni in the Republic of Italy)
acting through its Turin head office or its Sydney branch as Issuer and, in respect of Notes issued by Intesa Sanpaolo Bank Ireland p.l.c. and Intesa Sanpaolo Bank Luxembourg S.A., as Guarantor (where indicated in the relevant Final Terms)
and

INTESA SANPAOLO BANK IRELAND P.L.C.

(incorporated with limited liability in Ireland under registered number 125216)
as Issuer
and

INTESA SANPAOLO BANK LUXEMBOURG S.A.

(a public limited liability company (société anonyme) incorporated in the Grand Duchy of Luxembourg as a credit institution and registered with the register of trade and companies of Luxembourg under number B13859)
as Issuer

€70,000,000,000
Euro Medium Term Note Programme

Under the €70,000,000,000 Euro Medium Term Note Programme (the "**Programme**") described in this base prospectus (the "**Base Prospectus**"), Intesa Sanpaolo S.p.A. acting through its Turin head office or its Sydney branch (the "**Sydney Branch**") ("**Intesa Sanpaolo**" or the "**Bank**"), Intesa Sanpaolo Bank Ireland p.l.c. ("**INSPIRE**") and Intesa Sanpaolo Bank Luxembourg S.A. ("**Intesa Luxembourg**") (together, the "**Issuers**" and, each of them, an "**Issuer**") may issue notes ("**Notes**") on a continuing basis to one or more of the Dealers named on page 1 and any additional Dealer appointed under the Programme from time to time (each a "**Dealer**" and together the "**Dealers**"). References in this Base Prospectus to the "**relevant Dealer**" shall be, in the case of an issue of Notes to more than one Dealer, to the lead manager of such issue and, in the case of an issue of Notes to one Dealer, to such Dealer. The Notes issued by Intesa Sanpaolo may be: (i) notes in physical form governed by English law (the "**English Law Notes in Physical Form**"); (ii) notes in physical form governed by Italian law (the "**Italian Law Notes in Physical Form**" and, together with the English Law Notes in Physical Form, the "**Notes in Physical Form**"); or (iii) notes in dematerialised form governed by Italian law (the "**Dematerialised Notes**" and, together with the Notes in Physical Form, the "**Notes**"). In the case of INSPIRE and Intesa Luxembourg, all notes issued shall be English Law Notes in Physical Form.

Pursuant to the Programme, the Issuers may issue Notes denominated in any currency agreed with the relevant Dealer. The minimum denomination of all Notes issued under the Programme shall be €100,000 and integral multiples of €1,000 in excess thereof (or its equivalent in any other currency as at the date of issue of the Notes). The aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €70,000,000,000 (or its equivalent in other currencies calculated as described herein).

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under "*Terms and Conditions of the English Law Notes in Physical Form*" (the "**Terms and Conditions of the English Law Notes in Physical Form**"), "*Terms and Conditions of the Italian Law Notes in Physical Form*" (the "**Terms and Conditions of the Italian Law Notes in Physical Form**"), or "*Terms and Conditions of the Dematerialised Notes*" (the "**Terms and Conditions of the Dematerialised Notes**", and, together with the Terms and Conditions of the English Law Notes in Physical Form and the Terms and Conditions of the Italian Law Notes in Physical Form, the "**Conditions**"), as completed by a document specific to such Tranche called final terms (the "**Final Terms**") or in a separate prospectus specific to such Tranche (a "**Drawdown Prospectus**") as described under "*Final Terms or Drawdown Prospectus*" below.

The English Law Notes in Physical Form will be constituted by an amended and restated trust deed dated 21 December 2023 (as amended, supplemented and/or restated from time to time, the "**Trust Deed**") between the Issuers and The Law Debenture Trust Corporation p.l.c. (the "**Trustee**"). In respect of the Italian Law Notes in Physical Form, the Terms and Conditions of the Italian Law Notes in Physical Form include summaries of, and are subject to, the detailed provisions of an agency agreement dated 21 December 2023 (as amended, supplemented and/or restated from time to time, the "**Agency Agreement for the Italian Law Notes in Physical Form**"). The Issuer may act as Paying Agent and Calculation Agent for the Dematerialised Notes and therefore as of the date of this Base Prospectus no agency agreement in relation to the terms and conditions of the Dematerialised Notes is envisaged. The Issuer is entitled to appoint a different Paying Agent for the Dematerialised Notes in accordance with Condition 14 (*Paying Agents*) of the Terms and Conditions of the Dematerialised Notes.

The payments of all amounts due in respect of the Notes issued by INSPIRE and Intesa Luxembourg ("**Guaranteed Notes**") will be unconditionally and irrevocably guaranteed by Intesa Sanpaolo pursuant to the Trust Deed and the relevant Deed of Guarantee (as defined herein).

An investment in Notes issued under the Programme involves certain risks. For a discussion of these risks, see "*Risk Factors*" below.

Intesa Sanpaolo may offer and sell the Notes to or through one or more underwriters, dealers and agents, including Intesa Sanpaolo, or directly to purchasers.

This Base Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") in its capacity as competent authority in Luxembourg as a base prospectus under Article 8(1) of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). Application has been made for Notes issued under the Programme during the period of 12 months from the date of this Base Prospectus to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange, which is a regulated market for the purposes of the Markets in Financial Instruments Directive 2014/65/EU (as amended) ("**MiFID II**"). Notes with a maturity of less than 12 months that qualify as securities and money market instruments in accordance with article 17(1) of the Luxembourg law of 16 July 2019 on prospectuses for securities (the "**Luxembourg Prospectus Law**") may not be offered or sold to the public within the territory of the Grand Duchy of Luxembourg ("**Luxembourg**") unless: (i) a simplified prospectus (prospectus allégé) has been duly approved by the CSSF pursuant to part III of the Luxembourg Prospectus Law; or (ii) the offer benefits from an exemption to or constitutes a transaction not subject to, the requirement to publish a simplified prospectus under part III of the Luxembourg Prospectus Law and any additional requirements under part III of the Luxembourg Prospectus Law are complied with. The CSSF will grant approval on this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the CSSF should not be considered as an endorsement of the Issuers. As referred to in Article 6(4) of the Luxembourg Prospectus Law, by approving this Base Prospectus, in accordance with Article 20 of the Prospectus Regulation, the CSSF does not engage in respect of the economic or financial opportunity of the operation or the quality and solvency of the issuers, and such approval should not be considered as an endorsement of the quality of any Notes that are the subject of this Base Prospectus. In addition, pursuant to Article 25 of the Prospectus Regulation, the Issuers have requested the CSSF to issue a certificate of approval of this Base Prospectus, together with a copy of this Base Prospectus, to the Central Bank of Ireland in its capacity as competent authority in Ireland. Potential investors should make their own assessment as to the suitability of investing in any Notes. This Base Prospectus is valid for a period of 12 months from the date of approval, and its expiry date is 21 December 2024. For the avoidance of doubt, the

Issuers shall have no obligation to supplement this Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies after the end of its 12-month validity period.

The Programme also allows for Notes to be unlisted or to be admitted to listing, trading and/or quotation by such other or further listing authorities, stock exchanges and/or quotation systems as may be agreed with the relevant Issuer. Notes issued pursuant to the Programme may also be rated or unrated. Where an issue of Notes is rated, its rating will be specified in the Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Whether or not each credit rating applied for in relation to a relevant Series of Notes will be (1) issued or endorsed by a credit rating agency established in the European Economic Area ("**EEA**") and registered under Regulation (EC) No 1060/2009 (as amended) (the "**EU CRA Regulation**") or by a credit rating agency which is certified under the EU CRA Regulation and/or (2) issued or endorsed by a credit rating agency established in the UK and registered under Regulation (EC) No 1060/2009 on credit rating agencies, as it forms part of domestic law of the United Kingdom (the "**UK**") by virtue of the European Union (Withdrawal) Act 2018 (as amended) (the "**UK CRA Regulation**") or by a credit rating agency which is certified under the UK CRA Regulation will be disclosed in the Final Terms. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (1) the rating is provided by a credit rating agency not established in the EEA but which is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the EU CRA Regulation. In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (1) the rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) the rating is provided by a credit rating agency not established in the UK but which is certified under the UK CRA Regulation. The European Securities and Markets Authority (the "**ESMA**") is obliged to maintain on its website, *https://www.esma.europa.eu/page/List-registered-and-certified-CRAs*, a list of credit rating agencies registered and certified in accordance with the EU CRA Regulation. The Financial Conduct Authority (the FCA) is obliged to maintain on its website, *https://register.fca.org.uk*, a list of credit rating agencies registered and certified in accordance with the UK CRA Regulation.

Interest amounts payable under the Notes may be calculated by reference, *inter alia*, to EURIBOR, SONIA, SOFR, €STR, SARON, CMS or such other reference rate as specified in the relevant Final Terms. As at the date of this Base Prospectus, the European Money Markets Institute ("**EMMI**", as administrator of EURIBOR) is included in ESMA's register of administrators under Article 36 of Regulation (EU) No. 2016/1011 (the "**EU Benchmarks Regulation**"). As at the date of this Base Prospectus SARON is provided by SIX Swiss Exchange AG and is endorsed for use in the European Union by SIX Financial Information Nordic AB. As at the date of this Base Prospectus, SIX Financial Information Nordic AB appears on the register of administrators and benchmarks established and maintained by ESMA pursuant to the EU Benchmarks Regulation. As at the date of this Base Prospectus, none of ICE Benchmark Administration (as administrator of CMS), the Federal Reserve Bank of New York (as administrator of the Secured Overnight Financing Rate ("**SOFR**")), or the Bank of England (as administrator of the Sterling Overnight Index Average ("**SONIA**")), or the European Central Bank (as administrator of €STR)) appear on the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 of the EU Benchmarks Regulation. As far as the Issuers are aware, (i) the transitional provisions in Article 51 of the EU Benchmarks Regulation apply to ICE Benchmark Administration, such that this administrator is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence) (ii) the Bank of England and the Federal Reserve of New York do not fall within the scope of the EU Benchmarks Regulation by virtue of Article 2 of that Regulation.

Amounts payable on Inflation-Linked Notes will be calculated by reference to CPI, HICP and RPI (each as defined below). As at the date of this Base Prospectus, the administrators of CPI, HICP and RPI are not included on ESMA's register of administrators under Article 36 of the EU Benchmarks Regulation. As far as each Issuer is aware, CPI, HICP and RPI do not fall within the scope of the EU Benchmarks Regulation by virtue of Article 2 of that Regulation. No Notes linked to an underlying index composed by the Issuers or the Group will be issued under this Programme.

Joint Arrangers

Deutsche Bank
IMI – Intesa Sanpaolo

Dealers

Barclays
BofA Securities
Commerzbank
UBS Investment Bank
Goldman Sachs International
Intesa Sanpaolo S.p.A.
Morgan Stanley
NatWest Markets

BNP Paribas
Citigroup
Crédit Agricole CIB
HSBC
J.P Morgan SE
Natixis
Société Générale Corporate & Investment Banking

The date of this Base Prospectus is 21 December 2023

IMPORTANT INFORMATION

This Base Prospectus comprises a base prospectus for each Issuer for the purposes of Article 8 of the Prospectus Regulation.

Any person (an "**Investor**") intending to acquire or acquiring any securities from any person (an "**Offeror**") should be aware that, in the context of an offer to the public as defined in the Prospectus Regulation, the relevant Issuer may be responsible to the Investor for the Base Prospectus only if the relevant Issuer is acting in association with that Offeror to make the offer to the Investor. Each Investor should therefore verify with the Offeror whether or not the Offeror is acting in association with the relevant Issuer. If the Offeror is not acting in association with the relevant Issuer, the Investor should check with the Offeror whether anyone is responsible for the Base Prospectus for the purposes of Article 11 of the Prospectus Regulation in the context of the offer to the public, and, if so, who that person is. If the Investor is in any doubt about whether it can rely on the Base Prospectus and/or who is responsible for its contents it should seek legal advice.

Intesa Sanpaolo, INSPIRE and Intesa Luxembourg accept responsibility for the information contained herein. To the best of the knowledge of each of Intesa Sanpaolo, INSPIRE and Intesa Luxembourg, having taken all reasonable care to ensure that such is the case, the information contained in this document is in accordance with the facts and this document does not omit anything likely to affect the importance of such information.

The previous paragraph should be read in conjunction with paragraph two above. Subject to the provision of each applicable Final Terms, the only persons authorised to use this Base Prospectus in connection with the issue of any Tranche of Notes are the persons named in the applicable Final Terms as the relevant Dealer(s).

AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES FROM AN OFFEROR WILL DO SO, AND OFFERS AND SALES OF THE NOTES TO AN INVESTOR BY AN OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH OFFEROR AND SUCH INVESTOR INCLUDING AS TO PRICE, ALLOCATIONS AND SETTLEMENT ARRANGEMENTS. THE RELEVANT ISSUER WILL NOT BE A PARTY TO ANY SUCH ARRANGEMENTS WITH INVESTORS (OTHER THAN THE DEALERS) IN CONNECTION WITH THE OFFER OR SALE OF THE NOTES AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION. THE RELEVANT ISSUER HAS NO RESPONSIBILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.

This Base Prospectus should be read and construed together with any supplements hereto along with any other information incorporated by reference herein and, in relation to any Tranche (as defined herein) of Notes, should be read and construed together with the relevant Final Terms (as defined herein).

Other than in relation to the documents which are deemed to be incorporated by reference (see *Information Incorporated by Reference*), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the CSSF.

Intesa Sanpaolo, INSPIRE and Intesa Luxembourg have confirmed to the Dealers that this Base Prospectus (including for this purpose, each relevant Final Terms) contains all information which is (in the context of the Programme, the issue, offering and sale of the Notes and the Guarantee of the Notes) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Programme, the issue, offering and sale of the Notes and the Guarantee of the Notes) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

No person has been authorised to disclose any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by Intesa Sanpaolo, INSPIRE and Intesa Luxembourg or such other information as is in the public domain and, if given or made, such information or representation should not

be relied upon as having been authorised by Intesa Sanpaolo, INSPIRE, Intesa Luxembourg, the Trustee or any Dealer.

No representation or warranty is made or implied by the Dealers or any of their respective affiliates, and none of the Dealers or any of their respective affiliates makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus. Neither the delivery of this Base Prospectus nor any Final Terms, nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of Intesa Sanpaolo, INSPIRE, Intesa Luxembourg and Intesa Sanpaolo's other consolidated subsidiaries (the "**Intesa Sanpaolo Group**" or the "**Group**") since the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

None of the Dealers accepts any responsibility for any social, environmental and sustainability assessment of any Notes issued as Green Bonds, Social Bonds or Sustainability Bonds or make any representation or warranty or assurance whether such Notes will meet any investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels. None of the Dealers is responsible for the use or allocation of proceeds for any Notes issued as Green Bonds, Social Bonds or Sustainability Bonds, nor the impact or monitoring of such use of proceeds, nor do any of the Dealers undertake to ensure that there are at any time sufficient Eligible Loans (as defined in "Use of Proceeds" below) to allow for allocation of a sum equal to the net proceeds of the issue of such Green Bonds, Social Bonds or Sustainability Bonds in full.

In addition none of the Dealers is responsible for the Issuers' Green, Social and Sustainability Bond Framework (as defined in "Use of Proceeds" below) including the assessment of the applicable eligibility criteria in relation to Green Bonds, Social Bonds or Sustainability Bonds set out therein. The Second Party Opinion provides an opinion on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in any Notes, including without limitation market price, marketability, investor preference or suitability of any security. The Second Party Opinion is a statement of opinion, not a statement of fact. No representation or assurance is given by the Dealers nor the relevant Issuer as to the suitability or reliability of the Second Party Opinion or any opinion or certification of any third party (whether or not solicited by the relevant Issuer) made available in connection with an issue of Notes issued as Green Bonds, Social Bonds or Sustainability Bonds. As at the date of this Base Prospectus, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

Any Second Party Opinion and any other such opinion or certification is not, nor should be deemed to be, a recommendation by the relevant Issuer or the Dealers, or any other person to buy, sell or hold any Notes and is current only as of the date it is issued. The criteria and/or considerations that formed the basis of the Second Party Opinion or any such other opinion or certification may change at any time and the Second Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein. The Issuers' Green, Social and Sustainability Bond Framework may also be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Base Prospectus.

The Issuers' Green, Social and Sustainability Bond Framework, the Second Party Opinion and any other such opinion or certification does not form part of, nor is incorporated by reference in, this Base Prospectus.

The distribution of this Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. Any persons into whose possession of this Base Prospectus or any Final Terms comes are required by each of Intesa Sanpaolo, INSPIRE, Intesa Luxembourg and the Dealers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*". In particular, neither the Notes nor the guarantee thereof have been or will be registered under the United States Securities Act of 1933 (as amended) (the "**Securities Act**") and are both subject to U.S. tax

law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons. Notes may be offered and sold outside the United States in reliance on Regulation S under the Securities Act ("**Regulation S**").

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and neither should they be considered as a recommendation by Intesa Sanpaolo, INSPIRE, Intesa Luxembourg, the Trustee, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of Intesa Sanpaolo, INSPIRE, Intesa Luxembourg and the Intesa Sanpaolo Group.

The maximum aggregate principal amount of Notes outstanding and guaranteed at any one time under the Programme will not exceed €70,000,000,000 (and for this purpose, any Notes denominated in another currency shall be translated into Euro at the date of the agreement to issue such Notes (calculated in accordance with the provisions of the Dealer Agreement as defined under "*Subscription and Sale*")). The maximum aggregate principal amount of Notes which may be outstanding and guaranteed at any one time under the Programme may be increased from time to time, subject to compliance with the relevant provisions of the Dealer Agreement.

This Base Prospectus has been prepared on the basis that, except to the extent that limb (ii) below may apply, any offer of Notes in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by Final Terms in relation to the offer of those Notes may only do so (i) in circumstances in which no obligation arises for the Issuers or any Dealer to publish a prospectus pursuant to Article 3(1) of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer, or (ii) if a prospectus for such offer has been approved by the competent authority in that Relevant Member State or, if applicable, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State and (in either case) published, all in accordance with the Prospectus Regulation, *provided that* any such prospectus has subsequently been completed by Final Terms which specify that offers may be made other than pursuant to Article 1(4) of the Prospectus Regulation in that Relevant Member State and such offer is made in the period beginning and ending on the dates specified for such purpose in such prospectus or final terms, as applicable and the Issuers have consented in writing to its use for the purpose of such offer. Except to the extent limb (ii) above may apply, neither the Issuers nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the relevant Issuer or any Dealer to publish or supplement a prospectus for such offer.

Renminbi is currently not completely freely convertible and the conversion of Renminbi through banks outside the PRC is subject to certain restrictions. Investors should be reminded of the conversion risk with Renminbi-denominated products. In addition, there is a liquidity risk associated with Renminbi-denominated products, particularly if such investments do not have an active secondary market and their prices have large bid/offer spreads. Renminbi-denominated products are denominated and settled in Renminbi available outside the PRC, which represents a market which is different from that of Renminbi available in the PRC.

In this Base Prospectus, references to "**U.S.$**" or "**USD**" are to United States dollars, references to "**STG**" or "**£**" are to the lawful currency of the United Kingdom, references to "**EUR**", "**euro**", "**euros**" or "**€**" are to the currency introduced at the start of the third stage of European Economic and Monetary Union and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended, references to "**Renminbi**" and "**CNY**" are to the lawful currency of the People's Republic of China (excluding the Hong Kong Special Administrative Region of the People's Republic of China, the Macau Special Administrative Region of the People's Republic of China and Taiwan) (the "**PRC**") and references to "**S$**" are to the lawful currency of Singapore. References to a "regulated market" have the meaning given to that expression by Article 14 of MiFID II.

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

Under present Australian law, interest and other amounts paid on the Notes by the relevant Issuer will not be subject to Australian interest withholding tax if the Notes issued out of a branch or other permanent establishment of the Issuer in Australia are issued in accordance with certain prescribed conditions set out in section 128F of the Income Tax Assessment Act 1936 of Australia. One of these conditions is that the relevant Issuer must not know, or have reasonable grounds to suspect, that a Note, or an interest in a Note, was being, or would later be, acquired directly or indirectly by an Offshore Associate (as defined in "**Australian Taxation**") of the relevant Issuer, other than in the capacity of a dealer, manager, or underwriter in relation to the placement of the relevant Notes, or a clearing house, custodian, funds manager or responsible entity of a registered scheme. Accordingly, the Notes must not be acquired by an Offshore Associate of the relevant Issuer. For these purposes, an Offshore Associate of the relevant Issuer is defined broadly and may include, but is not limited to, any entity that is directly or indirectly owned or controlled by the Issuer. Any investor who believes that it may be affiliated with or related to any of the above-mentioned entities or who otherwise believes it may be an Offshore Associate of the relevant Issuer, should make appropriate enquiries before investing in any Notes issued by the Issuer acting through its Sydney Branch.

Citigroup Global Markets Limited is incorporated in the United Kingdom and is authorised in the United Kingdom by the Prudential Regulation Authority (the "**PRA**") and regulated in the United Kingdom by the Financial Conduct Authority and the PRA. Citigroup Global Markets Limited does not hold an Australian Financial Services Licence and, in providing the services in relation to this transaction, it relies on various exemptions contained in the Corporations Act 2001 (Commonwealth of Australia) (the "**Corporations Act**") and the Corporations Regulations 2001 promulgated under the Corporations Act (together the "**Corporations Laws**"). Citigroup Global Markets Limited hereby notifies all relevant persons that all services contemplated under this document are provided to the Issuer acting through its Sydney Branch by Citigroup Global Markets Limited from outside of Australia and to the extent necessary, Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832 and Australian Financial Services Licence No. 240992) a related body corporate of Citigroup Global Markets Limited within the meaning of the Corporations Laws, has arranged for Citigroup Global Markets Limited to provide these services to the Issuer acting through its Syndey Branch.

IMPORTANT – EEA RETAIL INVESTORS – If the Final Terms (or the Drawdown Prospectus, as the case may be) in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

IMPORTANT - UK RETAIL INVESTORS – If the Final Terms (or the Drawdown Prospectus, as the case may be) in respect of any Notes includes a legend entitled "Prohibition of Sales to UK Retail Investors", the Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act, 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation**.**

MiFID II product governance / target market – The Final Terms in respect of any Notes may include a legend entitled "MiFID II Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

UK MiFIR product governance / target market - The Final Terms in respect of any Notes may include a legend entitled "UK MiFIR Product Governance" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any distributor should take into consideration the target market assessment; however, a distributor subject to the UK MiFIR product governance rules set out in the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the UK MiFIR product governance rules set out in UK MiFIR Product Governance Rules, any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the UK MIFIR Product Governance Rules.

The Notes of each Tranche may:

- in the case of Notes in Physical Form, initially be represented by a temporary global note ("**Temporary Global Note**") which (i) in respect of a Temporary Global Note which is not intended to be issued in new global note form, will be deposited on the issue date thereof with a common depositary on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream Banking**") and/or any other agreed clearance system, and (ii) in respect of a Temporary Global Note which is intended to be issued in new global note form, will be deposited on the issue date thereof with a common safekeeper for Euroclear and/or Clearstream Banking and/or any other agreed clearance system. Each Temporary Global Note will be exchangeable, as specified in the applicable Final Terms, for either a permanent global note ("**Permanent Global Note**") or Notes in definitive form, in each case upon certification as to non-US beneficial ownership as required by U.S. Treasury Regulations. A Permanent Global Note will be exchangeable, in whole but not in part, for definitive Notes, all as further described below; or

- in the case of Notes in Dematerialised Form, be held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli S.p.A. with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy ("**Monte Titoli**"), for the account of the relevant Monte Titoli Account Holders. The expression "**Monte Titoli Account Holders**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository banks appointed by Euroclear, as operator of the Euroclear System, and Clearstream Banking. The Dematerialised Notes have been accepted for clearance by Monte Titoli. The Dematerialised Notes will at all times be held in book entry form and title to the Dematerialised Notes will be evidenced by book entries pursuant to the relevant provisions of Italian Legislative Decree dated 24 February 1998, No. 58, as subsequently amended and supplemented (the "**Financial Services Act**") and in accordance with the Commissione Nazionale per le società e la Borsa ("**CONSOB**") and Bank of Italy Joint Regulation dated 13 August 2018, as subsequently amended and supplemented ("**CONSOB and Bank of Italy Joint Regulation**"). No physical document of title will be issued in respect of the Dematerialised Notes. However, the Noteholders may ask the relevant intermediaries for certification pursuant to Article 83-quinquies and 83-sexies of the Financial Services Act.

The information set out in the sections of this Base Prospectus describing clearing arrangements is subject to any change or reinterpretation of the rules, regulations and procedures of Euroclear, Clearstream Banking and Monte Titoli (the "**Clearing Systems**"), in each case as currently in effect. If prospective investors wish to use the facilities of any of the Clearing Systems, they should confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System.

The Issuer will not be responsible or liable for any aspect of the records relating to, or payments made on account of, book-entry interests held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such book-entry interests.

Product Classification pursuant to Section 309B of the Securities and Futures Act 2001 of Singapore as modified or amended from time to time (the "SFA")

The Final Terms in respect of any Notes may include a legend entitled "Singapore Securities and Futures Act Product Classification" which will state the product classification of the Notes pursuant to section 309(B)(1) of the SFA.

The relevant Issuer will make a determination and provide the appropriate written notification to "relevant persons" (as defined in section 309A(1) of the SFA) in relation to each issue about the classification of the Notes being offered for purposes of section 309B(1)(a) and section 309B(1)(c) of the SFA.

Third Party Information – Certain information and statistics presented in this Base Prospectus regarding markets and market share of the Issuers or the Group are either derived from, or are based on, internal data or publicly available data from external sources. In addition, the sources for the rating information set out in the sections headed *Ratings* of this Base Prospectus are the following rating agencies: Moody's Investors Service España, S.A., S&P Global Ratings Europe Limited, Fitch Ratings Ireland Limited and DBRS Rating GmbH (each as defined below). In respect of information in this Base Prospectus that has been extracted from a third party, the Issuers confirm that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. Although the Issuers believe that the external sources used are reliable, the Issuers have not independently verified the information provided by such sources.

STABILISATION

In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may, outside of Australia and on a financial market operated outside of Australia, over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilisation Manager(s) (or person(s) acting on behalf of any Stabilisation Manager(s)) in accordance with all applicable laws and rules.

CERTAIN DEFINITIONS

Intesa Sanpaolo is the surviving entity from the merger between Banca Intesa S.p.A. and Sanpaolo IMI S.p.A., which was completed with effect from 1 January 2007. Pursuant to the merger, Sanpaolo IMI S.p.A. merged by incorporation into Banca Intesa S.p.A. which, upon completion of the merger, changed its name to Intesa Sanpaolo S.p.A. Accordingly, in this Base Prospectus:

- references to "**Intesa Sanpaolo**" are to Intesa Sanpaolo S.p.A. in respect of the period since 1 January 2007 and references to the "**Intesa Sanpaolo Group**" are to Intesa Sanpaolo and its subsidiaries in respect of the same period;

- references to "**Banca Intesa**" or "**Intesa**" are to Banca Intesa S.p.A. in respect of the period prior to 1 January 2007 and references to the "**Banca Intesa Group**" are to Banca Intesa and its subsidiaries in respect of the same period; and

- references to "**Sanpaolo IMI**" are to Sanpaolo IMI S.p.A. in respect of the period prior to 1 January 2007 and references to "**Sanpaolo IMI Group**" are to Sanpaolo IMI and its subsidiaries in respect of the same period.

In this Base Prospectus, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

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GENERAL DESCRIPTION OF THE PROGRAMME

This section is a general description of the Programme for the purposes of Article 25.1(b) of Commission Delegated Regulation (EU) 2019/980 (as amended) and must be read as an introduction to this Base Prospectus. Any decision to invest in the Notes should be based on a consideration of the Base Prospectus as a whole, including any information incorporated by reference.

Words and expressions defined in "Terms and Conditions of the English Law Notes in Physical Form", "Terms and Conditions of the Italian Law Notes in Physical Form" or "Terms and Conditions of the Dematerialised Notes" or elsewhere in this Base Prospectus have the same meaning in this section. Prospective investors should read the whole of this Base Prospectus, including the information incorporated by reference. Unless otherwise specified, the term "Terms and Conditions" or "Conditions" shall refer to the Terms and Conditions of the English Law Notes in Physical Form, the Terms and Conditions of the Italian Law Notes in Physical Form and the Terms and Conditions of the Dematerialised Notes and any reference to a "Condition" shall be to a Condition under the Terms and Conditions of the English Law Notes in Physical Form, a Condition under the Terms and Conditions of the Italian Law Notes in Physical Form, and a Condition under the Terms and Conditions of the Dematerialised Notes.

Issuers:	Intesa Sanpaolo S.p.A., a company limited by shares (*società per azioni*), incorporated under the laws of the Republic of Italy, (i) acting through its registered office at Piazza San Carlo 156, 10121 Turin, Italy and registered with the Companies' Registry of Turin under registration number 00799960158 or (ii) acting through its Sydney Branch having its registered office at Suite 2, Level 62, MLC Centre, 25 Martin Place, Sydney, NSW 2000, Australia and registered with the Australian Securities and Investments Commission under Australian Business Number (ABN) 46 156 153 829, as specified in the relevant Final Terms. Intesa Sanpaolo Bank Ireland p.l.c., a public limited company incorporated under the laws of Republic of Ireland, having its registered office at 2nd Floor, International House, 3 Harbourmaster Place, IFSC, Dublin 1, D01 K8F1, Ireland and with the registration number 125216. Intesa Sanpaolo Bank Luxembourg S.A., a public limited liability company (*société anonyme*), incorporated under the laws of the Grand Duchy of Luxembourg as a credit institution, having its registered office at 28, Boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg, and registered with the Register of Trade and Companies of Luxembourg under registration number B. 13.859.	
Issuers' Legal Entity Identifier (LEI)	Intesa Sanpaolo S.p.A.	2W8N8UU78PMDQKZENC08
	Intesa Sanpaolo Bank Ireland p.l.c.	635400PSMCTBZD9XNS47
	Intesa Sanpaolo Bank Luxembourg S.A.	549300H62SNDRT0PS319
Guarantor:	Intesa Sanpaolo S.p.A. (in respect of Notes issued by INSPIRE and Intesa Luxembourg).	
Joint Arrangers:	Intesa Sanpaolo S.p.A. Deutsche Bank Aktiengesellschaft.	
Dealers:	Barclays Bank Ireland PLC, BNP Paribas, BofA Securities Europe SA, Citigroup Global Markets Europe AG, Citigroup Global Markets Limited, Commerzbank Aktiengesellschaft, Crédit Agricole Corporate and Investment Bank, Deutsche Bank Aktiengesellschaft, Goldman Sachs International, HSBC Continental Europe, Intesa Sanpaolo S.p.A., J.P.	

	Morgan SE, Morgan Stanley & Co. International plc, Natixis, Société Générale, NatWest Markets N.V., UBS AG London Branch, UBS Europe SE and any other Dealer appointed from time to time by Intesa Sanpaolo, INSPIRE and Intesa Luxembourg either generally in respect of the Programme or in relation to a particular Tranche of Notes.
Trustee (for the English Law Notes):	The Law Debenture Trust Corporation p.l.c.
Registrar and Transfer Agent:	Deutsche Bank Luxembourg S.A.
Principal Paying Agent:	Deutsche Bank AG, London Branch.
Italian Paying Agent for the Italian Law Notes in Physical Form and Paying Agent for the Dematerialised Notes	Intesa Sanpaolo S.p.A.
Luxembourg Listing Agent:	Intesa Sanpaolo Bank Luxembourg S.A.
Listing, approval and admission to trading:	This document has been approved by the CSSF as a base prospectus. Application has also been made for Notes issued under the Programme to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange. Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the relevant Issuer and the Trustee, with notification to the relevant Dealer(s) in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued. Pursuant to Article 25 of the Prospectus Regulation, the CSSF may at the request of any Issuer, send to the competent authority of another European Economic Area Member State (i) a copy of this Base Prospectus; and (ii) a certificate of approval attesting that this Base Prospectus has been drawn up in accordance with the Prospectus Regulation (an "**Attestation Certificate**"). At the date hereof the Issuers have requested the CSSF to send an Attestation Certificate and copy of this Base Prospectus to the Central Bank of Ireland in its capacity as competent authority in Ireland. The CSSF shall notify ESMA about the Attestation Certificate at the same time as such notification is made to the Central Bank of Ireland. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and any other terms and conditions not contained herein which are applicable to each Tranche of Notes will be set out in the Final Terms which, with respect to Notes to be admitted to trading on the Luxembourg Stock Exchange, will be delivered to the Luxembourg Stock Exchange. The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.
Clearing Systems:	Euroclear Bank SA/NV ("**Euroclear**"), Clearstream Banking, S.A. ("**Clearstream, Luxembourg**"), Monte Titoli S.p.A. ("**Monte Titoli**")

	and/or any other clearing system as may be specified in the relevant Final Terms.
Initial Programme Amount:	Up to €70,000,000,000 (or its equivalent in other currencies) aggregate principal amount of Notes outstanding and guaranteed (if applicable) at any one time. The Issuers may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
Issuance in Series:	Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date, the issue price and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations. See also "*Taxation–Italian Taxation–Fungible issues*".
Final Terms or Drawdown Prospectus:	Notes issued under the Programme may be issued either (i) pursuant to this Base Prospectus and associated Final Terms or (ii) pursuant to a Drawdown Prospectus. The terms and conditions applicable to any particular Tranche of Notes are the Terms and Conditions of the English Law Notes in Physical Form, the Terms and Conditions of the Italian Law Notes in Physical Form, or the Terms and Conditions of the Dematerialised Notes as completed by the relevant Final Terms or, as the case may be, the relevant Drawdown Prospectus.
Forms of Notes in Physical Form:	Notes will be issued as Bearer Notes or Registered Notes, as specified in the relevant Final Terms. Bearer Notes will not be exchangeable for Registered Notes and Registered Notes will not be exchangeable for Bearer Notes. No single Series or Tranche may comprise both Bearer Notes and Registered Notes. *Bearer Notes* Each Tranche of Bearer Notes will initially be in the form of either a Temporary Global Note or a Permanent Global Note, in each case as specified in the relevant Final Terms. The relevant Final Terms will specify whether each Global Note is to be issued in New Global Note or Classic Global Note form (as each such term is defined in the section entitled "*Forms of the Notes"* below). Each Global Note in bearer form (a "**Bearer Global Note**") which is intended to be issued in Classic Global Note form will be deposited on or around the relevant issue date with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Bearer Global Note which is intended to be issued in New Global Note form will be deposited on or around the relevant issue date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note. Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

Registered Notes

Each Tranche of Registered Notes will be represented by individual certificates ("**Individual Note Certificates**") or one or more Global Notes in registered form ("**Global Registered Notes**"), in each case as specified in the relevant Final Terms.

Each Note represented by Global Registered Note will either be: (a) in the case of a Global Registered Note which is not to be held under the New Safekeeping Structure (as such term is defined in the section entitled "*Forms of the Notes*" below), registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common depositary; or (b) in the case of a Global Registered Note to be held under the New Safekeeping Structure, registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

With respect to the Registered Notes issued by Intesa Sanpaolo, INSPIRE and/or Intesa Luxembourg, Deutsche Bank Luxembourg S.A. will keep a register of the holders of the Registered Notes at its offices in 28 Boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg.

With respect to the Registered Notes issued by INSPIRE, INSPIRE will keep an INSPIRE Duplicate Register at its registered office in accordance with Condition 3(e) (*Title to Registered Notes*) of the Terms and Conditions of the English Law Notes in Physical Form.

Form of the Dematerialised Notes

The Dematerialised Notes will be held in dematerialised form on behalf of the beneficial owners thereof, from their date of issue until their redemption or cancellation, by Monte Titoli for the account of the relevant Monte Titoli account holders as of their respective date of issue.

The expression "**Monte Titoli account holder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli and includes any financial intermediary appointed by Euroclear and/or Clearstream, Luxembourg for the account of participants in Euroclear and/or Clearstream, Luxembourg.

The Dematerialised Notes have been accepted for clearance by Monte Titoli. The Dematerialised Notes will at all times be held in book entry form and title to the Dematerialised Notes will be evidenced by book entries pursuant to the relevant provisions of the Financial Services Act and in accordance with the CONSOB and Bank of Italy Joint Regulation. No physical document of title will be issued in respect of the Dematerialised Notes. However, the Noteholders may ask the relevant intermediaries for certification of their holding pursuant to Article 83-quinquies and 83-sexies of the Financial Services Act.

Guarantee of the English Law Notes:

Under the Trust Deed, if the English Law Notes in Physical Form are issued from time to time by Intesa Luxembourg and/or INSPIRE, as stated in the relevant Final Terms, Intesa Sanpaolo shall enter into a Deed of Guarantee under which payment of all amounts due from time to time in respect of such Notes issued by INSPIRE or by Intesa Luxembourg shall have the benefit of such Deed of Guarantee. Each Deed of Guarantee is in favour of the Trustee only as trustee for the holders of the Notes (as defined in the relevant

Deed of Guarantee) which shall have the benefit of the Deed of Guarantee but shall not have the benefit of any subsequent guarantee relating to other issues under the Programme (unless expressly so provided in any such subsequent guarantee).

According to the Trust Deed, under each Deed of Guarantee the Guarantor shall unconditionally and irrevocably guarantee to the Trustee the due and punctual payment of all sums expressed to be payable by INSPIRE and/or Intesa Luxembourg in respect of the relevant Notes or Coupons under the Trust Deed, as and when the same becomes due and payable, whether at maturity, upon early redemption, upon acceleration or otherwise, according to the terms of the Trust Deed and the relevant Notes and Coupons. In case of the failure of the relevant Issuer to pay any such sum as and when the same shall become due and payable, the Guarantor shall cause such payment to be made as and when the same becomes due and payable, whether at maturity, upon early redemption, upon acceleration or otherwise, as if the payment were made by the relevant Issuer. Any such payment made by the Guarantor will discharge the relevant Issuer of the obligation to pay such sum.

Under each Deed of Guarantee the Guarantor shall covenant in favour of the Trustee that it will duly perform and comply with the obligations expressed to be undertaken by it in the terms and conditions of the English Law Notes in Physical Form issued by INSPIRE and/or Intesa Luxembourg. See also " *– Status of Guarantee of the English Law Notes in Physical Form"* and *" – Governing Law of the English Law Notes in Physical Form and the Guarantee*".

Currencies:	Notes may be denominated in any currency, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.
Status of Notes:	Notes may be issued either on a senior basis ("**Senior Preferred Notes**") or, in the case of Intesa Sanpaolo only, on a senior non-preferred basis ("**Senior Non-Preferred Notes**") or on a subordinated basis ("**Subordinated Notes**") as described herein.
Senior Preferred Notes:	The status of the Senior Preferred Notes is described in Condition 4(a) (*Status – Senior Preferred Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 4(a) (*Status – Senior Preferred Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 4(a) (*Status – Senior Preferred Notes*) of the Terms and Conditions of the Dematerialised Notes.
Senior Non-Preferred Notes:	Notes issued by Intesa Sanpaolo may be issued as Senior Non-Preferred Notes as described in Condition 4(b) (*Status – Senior Non-Preferred Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 4(b) (*Status – Senior Non-Preferred Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 4(b) (*Status – Senior Non-Preferred Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the Dematerialised Notes.
Subordinated Notes:	Notes issued by Intesa Sanpaolo may be issued as Subordinated Notes as described in Condition 4(c) (*Status – Subordinated Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 4(c) (*Status – Subordinated Notes issued by Intesa*

	Sanpaolo) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 4(c) (*Status – Subordinated Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the Dematerialised Notes.
Status of Guarantee of the English Law Notes in Physical Form:	The Guarantee given by Intesa Sanpaolo in respect of English Law Notes in Physical Form issued by INSPIRE or Intesa Luxembourg, upon the entering into of a deed of guarantee in the form set out in the Trust Deed, is described in Condition 5 (*Status of the Guarantee*) of the Terms and Conditions of the English Law Notes in Physical Form.
Issue Price:	Notes may be issued at any price, as specified in the relevant Final Terms.
Maturities:	Any maturity, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements. In the case of Subordinated Notes, unless otherwise permitted by current laws, regulations, directives and/or the Circular No. 285 applicable to the issue of Subordinated Notes, Subordinated Notes must have a minimum maturity of five years (or, if issued for an indefinite duration, redemption of such Notes may only occur five years after their date of issue). Where Notes issued by Intesa Luxembourg have a maturity of less than one year and either (a) the issue proceeds are received by Intesa Luxembourg in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by Intesa Luxembourg in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000 ("**FSMA**") by Intesa Luxembourg. See "*Subscription and Sale*".
Redemption:	Subject to any purchase and cancellation, early redemption or repayment (where, as applicable, the Notes will redeemed at their Redemption Amount (as defined in the Conditions), Notes will be redeemed at par. Notes may also be redeemable in two or more instalments on such dates and in such manner as may be specified in the relevant Final Terms. The redemption of Senior Preferred Notes and Senior Non-Preferred Notes shall be subject, to the extent such Senior Preferred Notes or Senior Non-Preferred Notes qualify at such time as liabilities that are eligible to meet the MREL Requirements or, in case of a redemption pursuant to Condition 10(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 9(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*) of the Terms and Conditions of the Italian Law Notes in Physical Form, and Condition 9(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*) of the Terms and Conditions of the Dematerialised Notes qualified as liabilities that are eligible to meet the MREL Requirements before the occurrence of the MREL Disqualification Event, to the condition that the Issuer has obtained the prior permission of the Relevant Authority in accordance with Article 78a of the CRR.

	Under CRR, the early redemption of the Subordinated Notes is subject to the following conditions: (i) the Issuers have obtained the prior permission of the Relevant Authority in accordance with Article 78 of the CRR; (ii) in respect of a call, redemption repayment or repurchase prior to the fifth anniversary of the Issue Date of the relevant Subordinated Notes, compliance with the conditions set out Article 78(4) of the CRR or the Capital Instruments Regulation. Notes having a maturity of less than one year may be subject to restrictions on their denomination and distribution, see "*Maturities*" above.
Redemption for Indexation Reasons:	Inflation linked interest notes may be redeemed before their stated maturity at the option of the relevant Issuer, if the Calculation Agent determines that there is no appropriate alternative index in relation to Inflation-Linked Notes, on giving notice to Noteholders, the Issuers shall redeem or cancel, as applicable all but not some only of the Inflation-Linked Notes, each Inflation-Linked Note being redeemed or cancelled, as applicable by payment of the relevant Early Redemption Amount. Payments will be made in such manner as shall be notified to the Noteholders. Any such redemption shall be subject to the prior consent of the Relevant Authority and, in the case of any Notes, to the circumstances described in "*Redemption*" above.
Optional Redemption:	Notes may be redeemed before their stated maturity at the option of the Noteholders or, as the case may be, the relevant Issuer (either in whole or in part) to the extent (if at all) specified in the relevant Final Terms. Any such redemption shall be subject to the prior consent of the Relevant Authority and, in the case of any Notes, to the circumstances described in "*Redemption*" above.
Regulatory Call:	If specified as applicable in the relevant Final Terms, Subordinated Notes may be redeemed before their stated maturity at the option of Intesa Sanpaolo if any change in Italian Law or Applicable Banking Regulations or any change in the official application or interpretation thereof, such Subordinated Notes are excluded in whole or, to the extent permitted by the Applicable Banking Regulations, in part from regulatory treatment as Tier 2 Capital. Such optional redemption may only be at the option of Intesa Sanpaolo and is subject to any necessary prior consent thereto having been obtained from the Relevant Authority.
MREL Disqualification Event:	If the applicable Final Terms specify that the Issuer Call due to an MREL Disqualification Event applies, Senior Preferred Notes or the Senior Non-Preferred Notes may be redeemed before their stated maturity at the option of Intesa Sanpaolo if the relevant Issuer determines that an MREL Disqualification Event has occurred and is continuing. Any such redemption shall be subject to the circumstances described in "*Redemption*" above.
Tax Redemption:	Except as described in "*Optional Redemption*" and "*Regulatory Call*" above, early redemption will only be permitted for tax reasons as described in Condition 10(b) (*Redemption for tax reasons*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 10(b) (*Redemption for tax reasons*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 9(b) (*Redemption for tax reasons*) of the Terms and Conditions of the Dematerialised Notes. Any such redemption shall be subject to the prior consent of the Relevant Authority and, in the case of any Notes, to the circumstances described in "*Redemption*" above.
Clean-up Redemption Option:	Notes may be redeemed, in whole but not in part and to the extent (if at all) specified in the relevant Final Terms, if 75 per cent. or any higher percentage specified in the relevant Final Terms of the initial aggregate principal

amount of the Notes of the same Series (which for the avoidance of doubt includes, any additional Notes issued subsequently and forming a single series with the first Tranche of a particular Series of Notes) have been redeemed or purchased by, or on behalf of, the relevant Issuer and cancelled. Any such redemption shall be subject to the prior consent of the Relevant Authority.

Interest: Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate or a variable rate or, in the case of Inflation-Linked Notes, be linked to an index (as described in Condition 8 (*Inflation-Linked Note*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 7 (*Inflation-Linked Note*) of the Terms and Conditions of the Italian Law Notes in Physical Form) and Condition 7 (*Inflation-Linked Note*) of the Terms and Conditions of the Dematerialised Notes). Reset Notes will, in respect of an initial period, bear interest at the initial fixed rate of interest specified in the relevant Final Terms. Thereafter, the fixed rate of interest will be reset on one or more date(s) specified in the relevant Final Terms by reference to a mid-market swap rate or any other market reference rate, as adjusted for any applicable margin, in each case, as may be specified in the relevant Final Terms. The method of calculating interest may vary between the issue date and the maturity date of the relevant Series.

Benchmark Replacement: If the relevant Issuer determines that a Benchmark Event (as defined in the Conditions) has occurred (including, but not limited to, a Reference Rate (as defined in the Conditions) ceasing to be provided or upon a material change of a Reference Rate if applicable), the relevant Issuer shall notify the Principal Paying Agent, Calculation Agent and the Noteholders of the occurrence of such Benchmark Event and shall use reasonable endeavours to appoint an Independent Adviser for the purposes of determining a Successor Rate or an Alternative Benchmark Rate (as further described in Condition 7(j) (*Benchmark Replacement*) of the Terms and Conditions of the English Law Notes in Physical Form, in Condition 6(j) (*Benchmark Replacement*) of the Terms and Conditions of the Italian Law Notes in Physical Form, and in Condition 6(j) (*Benchmark Replacement*) of the Terms and Conditions of the Dematerialised Notes and, if applicable, an Adjustment Spread.

Denominations: Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements and/or the regulations of the applicable clearing system in which the Notes are issued, (see "*Maturities*" above) and save that, subject to minimum denominations of Notes to be issued by INSPIRE and Intesa Luxembourg as described below, the minimum denomination of each Note admitted to trading on a regulated market within the European Economic Area will be €100,000 and, in the case of Senior Non-Preferred Notes, €150,000 (or, where the Senior Non-Preferred Notes are denominated in a currency other than euro, the equivalent amount in such other currency) or such other minimum denomination provided by applicable law from time to time and in the case of Subordinated Notes €200,000 (or, where the Subordinated Notes are denominated in a currency other than euro, the equivalent amount in such other currency) or such other minimum denomination provided by applicable law from time to time.

So long as the clearing systems so permit, Notes may in certain circumstances and subject to any minimum denomination applicable to Notes issued by INSPIRE and Intesa Luxembourg be issued in denominations representing the aggregate of (i) a minimum denomination

of €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount in such currency) plus (ii) integral multiples of another smaller amount, and such Notes may be traded in amounts which, although greater than €100,000 (or its equivalent in another currency), are not integral multiples of €100,000 (or its equivalent). In such a case, a Noteholder who, as a result of trading such amounts, holds a principal amount of less than €100,000 will not receive a definitive Note in respect of such holding (if definitive Notes are printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

Notes which are issued or to be issued by INSPIRE (i) which are not listed on a stock exchange and do not mature within two years of the date of issue must have a minimum denomination of €500,000 or its equivalent, and (ii) which are not listed on a stock exchange and mature within two years of the date of issue if denominated in euro must have a minimum denomination of €500,000, if denominated in U.S. dollars must have a minimum denomination of U.S. $500,000 or if denominated in a currency other than euro or U.S. dollars must have a minimum denomination equivalent to €500,000 at the date the Programme is first publicised. In every case (including the foregoing), subject to compliance with all applicable legal and/or tax and/or regulatory and/or central bank requirements.

Negative Pledge: None.

Senior Preferred Notes issued under this Programme prior to 13 October 2005, have the benefit of a negative pledge provision in the following terms:

"The Issuer and (where applicable) the Guarantor will not, so long as any of the Notes remains outstanding, create or permit to subsist (other than by operation by law) any Security Interest upon the whole or any part of its undertakings, assets or revenues, present or future, to secure any External Indebtedness or any guarantee of or indemnity in respect of any External Indebtedness unless:

(a) the same Security Interest shall forthwith be extended equally and rateably to the Notes to the satisfaction of the Trustee; or

(b) such other Security Interest is provided as the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Noteholders or as shall be approved by an Extraordinary Resolution of the Noteholders,

provided that nothing in this Condition shall prevent the Issuer and (if applicable) the Guarantor from:

(i) creating or permitting to subsist (a) any Security Interest upon, or with respect to, any of its present or future assets or revenues or any part thereof which is created pursuant to any securitisation, asset backed financing or like arrangement and whereby all payment obligations in respect of the External Indebtedness or any guarantee of or indemnity in respect of the External Indebtedness, as the case may be, secured by such Security Interest or having the benefit of such secured guarantee or other indemnity, are to be discharged solely from such asset or revenues; or

(ii) permitting to subsist any Security Interest upon or with respect to any assets or revenues which are acquired by the Issuer or (where applicable) the Guarantor subsequent to the date of issue of the first Tranche of the relevant Notes as a consequence of the merger of

any entity into or with the Issuer or (where applicable) the Guarantor and which Security Interest is in existence at the time of such acquisition *provided that* such Security Interest was not created in contemplation of such acquisition or such merger and the principal amount secured at the time of such acquisition is not subsequently increased."

As used herein:

"**External Indebtedness**" means any present or future indebtedness for borrowed money in the form of, or represented by bonds, notes, debentures, loan capital, certificates of deposit, loan stock or other like instruments or securities (a) which is or are intended to be quoted, listed or ordinarily dealt in or traded on any stock exchange, automated trading system, over-the-counter or other established securities market (for which purpose any such indebtedness shall not be regarded as intended to be so quoted, listed or ordinarily dealt in or traded if the terms of issue thereof expressly provide to the contrary), (b) which by its terms is payable, or may be required to be paid, three years or more from the date of issue and (c) more than 60 per cent. of the aggregate principal amount of which is initially distributed by or with the authorisation of the issuer thereof outside the Republic of Italy; and

"**Security Interest**" means any mortgage, charge, lien, pledge or other security interest."

Outstanding Senior Preferred Notes issued prior to 13 October 2005 will continue to benefit from such negative pledge provision up to maturity, as will Senior Preferred Notes issued after 13 October 2005 which are to be consolidated with and form a single series with Senior Preferred Notes issued prior to that date. **Otherwise, Senior Preferred Notes issued after 13 October 2005 will not have the benefit of this provision.**

Taxation:

All payments of principal and interest in respect of Notes or made under the Guarantee of the Notes by the relevant Issuer, in case of payments under the Notes, or the Guarantor, in case of payments under the Guarantee, will be made free and clear of withholding taxes in the jurisdiction of incorporation of the relevant Issuer or Guarantor, as the case may be, unless the withholding is required by law. In that event, the relevant Issuer or Guarantor, as the case may be will (subject as provided in Condition 12 (*Taxation*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 11 (*Taxation*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 11 (*Taxation*) of the Terms and Conditions of the Dematerialised Notes) pay such additional amounts as will result in the Noteholders receiving such amounts as they would have received in respect of such Notes had no such withholding been required.

However, as more fully set out in Condition 12 (*Taxation*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 11 (*Taxation*) of the Terms and Conditions of the Italian Law Notes in Physical Form, and Condition 11 (*Taxation*) of the Terms and Conditions of the Dematerialised Notes the relevant Issuer shall not be liable in certain circumstances to pay any additional amounts to holders of the Notes with respect to any payment, withholding or deduction pursuant to Italian Legislative Decree No. 239 of 1 April 1996 on account of substitute tax (*imposta sostitutiva*, as defined therein) in relation to interest payable in respect of any Notes.

	In addition, Notes are subject to a withholding tax at the rate of 26 per cent. per annum in respect of interest and premium (if any) on Notes that qualify as atypical securities (pursuant to Law Decree No. 512 of 30 September 1983, as amended). Intesa Sanpaolo will not be liable to pay any additional amounts to Noteholders in relation to any such withholding, as more fully specified in Condition 12 (*Taxation*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 11 (*Taxation*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 11 (*Taxation*) of the Terms and Conditions of the Dematerialised Notes.
Redenomination:	The applicable Final Terms may provide that certain Notes may be redenominated in euro. If so, the wording of the redenomination clause will be set out in full in the applicable Final Terms.
Modification or Substitution of Subordinated Notes:	The Issuer may, without the consent of the holders of Subordinated Notes, (i) in the case of the English Law Notes in Physical Form, substitute new notes for the Subordinated Notes whereby such new notes shall replace the Subordinated Notes, or vary the terms of the Subordinated Notes, as fully specified in Condition 17(g) of the Terms and Conditions of the English Law Notes in Physical Form or (ii) in the case of the Italian Law Notes in Physical Form and the Dematerialised Notes, vary the terms of the Subordinated Notes, as fully specified in Condition 16(d) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 15(d) of the Terms and Conditions of the Dematerialised Notes.
Modification or Substitution of Senior Preferred Notes and Senior Non-Preferred Notes:	The Issuer may, without the consent of the holders of Senior Preferred Notes or Senior Non-Preferred Notes, (i) in the case of the English Law Notes in Physical Form, substitute new notes for the Senior Preferred Notes or Senior Non-Preferred Notes whereby such new notes shall replace the Senior Preferred Notes or Senior Non-Preferred Notes, or vary the terms of the Senior Preferred Notes or Senior Non-Preferred Notes, as fully specified in Condition 17(h) of the Terms and Conditions of the English Law Notes in Physical Form or (ii) in the case of the Italian Law Notes in Physical Form and the Dematerialised Notes, vary the terms of the Senior Preferred Notes or Senior Non-Preferred Notes, as fully specified in Condition 16(e) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 15(e) of the Terms and Conditions of the Dematerialised Notes.
Governing Law of the English Law Notes in Physical Form and the Guarantee:	The Trust Deed and the rights and obligations in respect of the English Law Notes in Physical Form and the Coupons, and any non-contractual obligations arising out of or in connection with each of the foregoing, are governed by, and shall be construed in accordance with, English law, save that the status provisions applicable to the English Law Notes in Physical Form and the contractual recognition of bail-in powers provisions, and any non-contractual obligations arising out of or in connection with such provisions, shall be governed by, and construed in accordance with, Italian law, Irish law or Luxembourgish law, as applicable. Each Deed of Guarantee and any non-contractual obligations arising out of or in connection with it are governed by, and construed in accordance with, English law. For the avoidance of doubt, articles 470-3 to 470-19 of the Luxembourg law on commercial companies dated 10 August 1915, as amended from time to time (the "**Luxembourg Company Law**") shall not apply.

Governing Law of the Italian Law Notes in Physical Form:	The Notes and the Coupons and any non contractual obligations arising out of or in connection with the Italian Law Notes and the Coupons, will be governed by, and shall be construed in accordance with, Italian law.
Governing Law of the Dematerialised Notes:	The Dematerialised Notes and any non-contractual obligations arising out of or in connection with the Dematerialised Notes, will be governed by, and shall be construed in accordance with, Italian law.
Ratings:	Notes issued pursuant to the Programme may be rated or unrated. Where an issue of Notes is rated, its rating will be specified in the Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Whether or not each credit rating applied for in relation to the relevant Series of Notes will be (1) issued or endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or by a credit rating agency which is certified under the EU CRA Regulation and/or (2) issued or endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or by a credit rating agency which is certified under the UK CRA Regulation will be disclosed in the Final Terms. In general, EEA regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the EU CRA Regulation. In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (1) the rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) the rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.
Selling Restrictions:	For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States, the European Economic Area (including the Republic of Italy, Ireland, France and Luxembourg), the United Kingdom, Hong Kong, the People's Republic of China, Singapore, Japan and Australia see "*Subscription and Sale*" below.
Sale of Notes by Intesa Sanpaolo S.p.A.:	Intesa Sanpaolo may offer and sell the Notes to or through one or more underwriters, dealers and agents, including Intesa Sanpaolo, or directly to purchasers.

RISK FACTORS

The Issuers believe that the following risk factors may affect their ability to fulfil their obligations under Notes issued under the Programme. Most of these risk factors are contingencies which may or may not occur and the Issuers are not in a position to express a view on the likelihood of any such contingency occurring.

In addition, risk factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.

The Issuers believe that the risk factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuers to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuers based on information currently available to them or which they may not currently be able to anticipate. Additional risks and uncertainties relating to the Issuers that are not currently known to the Issuers, or that the Issuers currently deem immaterial, may individually or cumulatively also have a material adverse effect on the Issuers.

Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and reach their own views prior to making any investment decision.

Words and expressions defined in "Terms and Conditions of the English Law Notes in Physical Form", "Terms and Conditions of the Italian Law Notes in Physical Form" or "Terms and Conditions of the Dematerialised Notes" or elsewhere in this Base Prospectus have the same meaning in this section. Prospective investors should read the whole of this Base Prospectus, including the information incorporated by reference. Unless otherwise specified, the term "Terms and Conditions" or "Conditions" shall refer to the Terms and Conditions of the English Law Notes in Physical Form, the Terms and Conditions of the Italian Law Notes in Physical Form and the Terms and Conditions of the Dematerialised Notes and any reference to a "Condition" shall be to a Condition under the Terms and Conditions of the English Law Notes in Physical Form, a Condition under the Terms and Conditions of the Italian Law Notes in Physical Form and a Condition under the Terms and Conditions of the Dematerialised Notes.

Risk factors relating to the Issuers

Prospective investors are invited to carefully read this chapter on the risk factors before making any investment decision, in order to understand the risks related to the Intesa Sanpaolo Group and obtain a better appreciation of the Intesa Sanpaolo Group's abilities to satisfy the obligations related to the Notes issued and described in the relevant Final Terms. The Issuers deem that the following risk factors could affect the ability of the same to satisfy their obligations arising from the Notes.

The risks below have been classified into the following categories:

Risks relating to the financial situation of Intesa Sanpaolo Group;

Risks related to legal proceedings;

Risks related to the business sector of Intesa Sanpaolo;

Risk related to the development of the banking sector regulation and the changes in the regulation on the solution of banking crises; and

Risks related to the entry into force of new accounting principles and the amendment of the applied accounting principles.

Risks related to the financial situation of Intesa Sanpaolo Group

Risk exposure to debt Securities issued by sovereign States

As at 30 June 2023, based on management data, the exposure to securities issued by Italy amounted to approximately €28 billion. It compared to approximately €27 billion as at 31 December 2022.

The market tensions regarding government bonds and their volatility, as well as Italy's rating downgrading or the forecast that such downgrading may occur, might have negative effects on the assets, the economic and/or financial situation, the operational results and the perspectives of the Bank.

Intesa Sanpaolo Group results are and will be exposed to sovereign debtors, in particular to Italy and certain major European Countries.

As at 31 December 2022, based on management data, the exposure to securities issued by Italy amounted to approximately €27 billion (3% of the total assets of the Group) excluding the insurance business, to which should be added approximately €8 billion represented by loans. On the same date, the investments in sovereign debt securities issued by EU countries, Italy included, corresponded to €56 billion (6% of the total assets of the Group) excluding the insurance business, to which should be added approximately €10 billion represented by loans. On the whole, the securities issued by governments, central banks and other public entities represented 11% of the total financial assets (calculated excluding the insurance business and including financial assets represented by due from banks and loans to customers).

As at 31 December 2021, based on management data, the exposure to securities issued by Italy amounted to approximately €88 billion (8% of the total assets of the Group) including the insurance business and to approximately €31 billion (3% of the total assets of the Group) excluding the insurance business, to which should be added approximately €9 billion represented by loans. On the same date, the investments in sovereign debt securities issued by EU countries, Italy included, corresponded to €126 billion (12% of the total assets of the Group) including the insurance business and to €57 billion (5% of the total assets of the Group) excluding the insurance business, to which should be added approximately €11 billion represented by loans. On the whole, the securities issued by governments, central banks and other public entities represented 45% of the total financial assets (10% if calculated excluding the insurance business and including financial assets represented by due from banks and loans to customers).

Risks related to legal proceedings

As at 30 June 2023, there were a total of about 34,900 disputes, other than tax disputes, pending at Group level (excluding those involving Risanamento S.p.A, which is not subject to management and coordination by Intesa Sanpaolo) with a total remedy sought of around 3,470 million euro. This amount includes all outstanding disputes, for which the risk of a disbursement of financial resources resulting from a potential negative outcome has been deemed possible or probable and therefore does not include disputes for which risk has been deemed remote. Those disputes include a large number of mass disputes at the international subsidiary banks (around 22,800 disputes) which, as a whole, account for a very low remedy sought. The risks associated with these disputes are thoroughly and individually analysed by the Bank and the Intesa Sanpaolo Group companies. Specific and appropriate provisions have been made to the allowances for risks and charges in the event of disputes for which there is an estimated probability of a disbursement of more than 50% and where the amount of the disbursement may be reliably estimated (disputes with likely risk). Without prejudice to the uncertainty inherent in all litigation, the estimate of the obligations that could arise from the disputes and hence the amount of any provisions recognised are based on the forward-looking assessments of the outcome of the trial. These forward-looking assessments are, in any event, prepared on the basis of all information available at the time of the estimate and updated over the course of the proceedings. The only disputes with likely risk amount to around 27,000 with a remedy sought of 1,794 million euro and provisions of 713 million euro. The component referring to the Parent Company Intesa Sanpaolo, which also includes the dispute relating to the subsidiary Intesa Sanpaolo Provis S.p.A. merged in April, totals around 6,100 disputes, with a remedy sought of 1,522 million euro and provisions of 527 million euro. There were around 700 disputes relating to other Italian subsidiaries, with a remedy sought of 160 million euro and provisions of 80 million euro. In Italy, most of them relate to issues of anatocism and investment services (4,000 positions).

With regard to the international subsidiaries, there were around 20,200 disputes with a remedy sought of 112 million euro and provisions of 106 million euro, impacted by the previously mentioned mass disputes. Specifically, there were around 16,800 disputes relating to the subsidiary Banca Intesa Beograd in relation to two areas of litigation that have involved the entire Serbian banking system. The first concerns processing fees charged by banks when granting loans and the second relates to real estate loans insured through the National Housing Loan Insurance Corporation (NKOSK).

Legal risks are thoroughly analysed by the Parent Company and Group companies. Provisions are made to the allowances for risks and charges in the event of disputes for which it is probable that funds will be disbursed and where the amount of the disbursement may be reliably estimated.

For the main pending disputes, the significant developments in the half year are described below. For previous disputes and a detailed illustration of significant individual disputes, see the Notes to the 2022 Consolidated Financial Statements of the Intesa Sanpaolo Group.

The risk arising from legal proceedings consists of the possibility of the Bank being obliged to pay any sum in case of unfavourable outcome.

The most common legal disputes are related to invalidity, cancellation, inefficacy actions or compensation for damages as a consequence of transactions related to the ordinary banking and financial activity carried out by the Bank.

For any individual assessment regarding legal disputes please refer to the section entitled " *Description of Intesa Sanpaolo S.p.A. – Legal Proceedings*" of this Base Prospectus. Such paragraph also includes information concerning the disputes on the marketing of convertible and/or subordinated shares/bonds issued by *Banca Popolare di Vicenza* or *Veneto Banca*, which filed against respectively *Banca Nuova* and *Banca Apulia* (both subsequently merged by incorporation in *Intesa Sanpaolo*).

Risks related to the business sector of Intesa Sanpaolo

Risks related to the economic/financial crisis and the impact of current uncertainties of the macro-economic context

The future development in the macro-economic context may be considered as a risk as it may produce negative effects and trends in the economic and financial situation of the Bank and/or the Group.

Any negative variations of the factors described hereafter, in particular during periods of economic - financial crisis, could lead the Bank and/or the Group to suffer losses, increases of financing costs, and reductions of the value of the assets held, with a potential negative impact on the liquidity of the Bank and/or the Group and its financial soundness.

The trends of the Bank and the Group are affected by the general, national and economic situation of the Eurozone, the dynamics of financial markets and the soundness and growth prospects of the economy of other geographic areas in which the Bank and/or the Group operates.

In particular, the profitability capacity and solvency of the Bank and/or the Group are affected by the trends of certain factors, such as the investors' expectations and trust, the level and volatility of short-term and long-term interest rates, exchange rates, financial markets liquidity, availability and cost of capital, sustainability of sovereign debt, household incomes and consumer spending, unemployment levels, business profitability and capital spending, inflation and housing prices.

The macro-economic framework is currently characterised by significant profiles of uncertainty, in relation to: (a) the outbreak of COVID-19, which caused a major decline in economic activity in 2020 and may have had persistent effects on the labour market and the business sector; (b) the future developments of ECB monetary policies in the Euro area and of the FED in the dollar area; (c) the tensions observed, on a more or less recurrent basis, on the financial markets; (d) the risk that in the future holders of Italian government debt lose confidence in the credit standing of Republic of Italy, owing to political developments or changes in budgetary policies affecting the sustainability of government debt; (e) the risk of energy supply disruptions and their effects on economic activity and prices.

With reference to the exit of the United Kingdom from the single market on 1 January 2021, changes in the relationship of the UK with the EU may affect the business of the Bank. On 29 March 2017, the UK invoked Article 50 of the Treaty on the European Union and officially notified the EU of its decision to withdraw from the EU. On 31 January 2020 the UK withdrew from the EU and the transition period ended on 31 December 2020 at 11pm. Therefore, the Treaty on the European Union and the Treaty on the Functioning of the European Union have ceased to apply to the UK. The European Union (Withdrawal) Act 2018 (as amended by the

European Union (Withdrawal Agreement) Act 2020) and secondary legislation made under it ensure there is a functioning statute book in the UK.

The EU-UK Trade and Cooperation Agreement (the "**Trade and Cooperation Agreement**"), which governs relations between the EU and UK following the end of the Brexit transition period and which had provisional application pending completion of ratification procedures, entered into force on 1 May 2021. The Trade and Cooperation Agreement does not create a detailed framework to govern the cross-border provision of regulated financial services from the UK into the EU and from the EU into the UK.

The precise impact on the business of the Issuers and the Group is difficult to determine. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

Credit risk

We would like to remark that, as of 30 September 2023, Intesa Sanpaolo recorded a gross NPL ratio (based on EBA metrics) of 1.9%. On 31 December 2022, the same data corresponded to 1.9%, compared to 2.4% recorded on 31 December 2021 well below the threshold which identify banks in Member States across the Euro area with high levels of non-performing loans. In this regard the credit institutions which recorded a gross NPL ratio higher than 5% are required – on the grounds of the "Guidelines on management of non-performing and forborne exposures" of EBA – to prepare specific strategic and operative plans for the management of such exposures.

Taking into consideration the pattern of the main credit risk indicators in 2022, in the first nine months of 2023 and the improvement of the Gross NPL ratio well below the 5% threshold, Intesa Sanpaolo deems that the risk related to credit quality is of low relevance.

The economic and financial activity and soundness of the Bank depends on its borrower's creditworthiness. The Bank is exposed to the traditional risks related to credit activity. Therefore, the clients' breach of the agreements entered into and of their underlying obligations, or any lack of information or incorrect information provided by them as to their respective financial and credit position, could have negative effects on the economic and/or financial situation of the Bank. Furthermore, any exposures in the bank portfolio towards counterparties, groups of connected counterparties and counterparties of the same economic sector, which perform the same activity or belong to the same geographic area, could increase the Bank concentration risk.

More generally, the counterparties may not satisfy their respective obligations towards the Bank by reason of bankruptcy, absence of liquidity, operational disruption or any other reason. The bankruptcy of an important stakeholder, or any concerns about its default, could cause serious liquidity issues, losses or defaults by other institutions, which, in turn, could negatively affect the Bank. The Bank may also be subject to the risk, under specific circumstances, that some of its credits towards third parties are no longer collectable. Furthermore, a decrease of the creditworthiness of third parties, including sovereign States, of which the Bank holds securities or bonds, might cause losses and/or negatively affect the ability of the Bank to invest again or use in a different way such securities or bonds for liquidity purposes. A significant decrease of the creditworthiness of the counterparties of the Bank might, therefore, have a negative impact on the results of the Bank's performances. Albeit, in many cases, the Bank could require further guarantees to the counterparties which are in financial difficulties, certain disputes may arise with respect to the amount of guarantee that the Bank is entitled to receive and the value of the assets which are object of guarantee. The default rates, counterparties rating deterioration and disputes in relation to counterparties on the guaranteed appraisal could be significantly increased during periods of market tensions and illiquidity.

Intesa Sanpaolo has always managed its risk portfolio proactively and prudently, overcoming the various crises of recent years unscathed. Over the 2022-25 planning horizon, the Group intends to pursue a modular de-risking strategy – which was already launched in the last Business Plan with significant results – ranking among the best in Europe in terms of NPL ratios and stock (a Zero-NPL Bank) and generating a sharp drop in the cost of risk. The latter will, in fact, always be maintained at a conservative level, thanks to both substantial reserves for provisions on receivables and ongoing prudent credit management. The de-risking strategy will be ensured also thanks to the supervision and monitoring activities performed by the "Group NPL Plan Control Room". Deleveraging will make use of additional selected partnerships and targeted portfolio disposals.

The results for the first nine months of 2023 confirm that Intesa Sanpaolo is able to generate sustainable profitability even in complex environments thanks to its well-diversified and resilient business model. As at 30 September 2023, the Group's gross non-performing loans amounted to 10.5 billion euro, down by 150 million euro (-1.4%) compared to December 2022. Their ratio to total loans increased slightly to 2.4% while it remained stable at 1.2% net of adjustments (2.3% and 1.2% respectively at the end of 2022). According to the EBA methodology, on the same date the NPL ratio stood at 1.9% and 1% before and after adjustments, respectively, unchanged compared to December. This result is mainly attributable to the de-risking initiatives already implemented in the second quarter of the year. The process of reducing non-performing loans also continues to benefit from new inflows of performing loans which remained low due to the performance of the prevention initiatives on non-performing loans.

Total non-performing loans for the first nine months of 2023 (bad, unlikely-to-pay, and past due) amounted – net of adjustments – to €5.2 billion, down 5.3% from €5.5 billion at year-end 2022. In further detail, in September 2023 bad loans amounted to €1.2 billion (+7.7%), net of adjustments, representing 0.3% of total net loans with a coverage ratio of 68.7%. Loans included in the unlikely-to-pay category amounted to €3.6 billion, down by 9.7%, accounting for 0.8% of total net loans to customers, with a coverage ratio of 40.8%. Past-due loans amounted to €419 million (+1.5%), with a coverage ratio of 27.1%.

Intesa Sanpaolo continues to operate as a growth accelerator in the real economy in Italy: in the first nine months of 2023, medium/long-term new lending granted by the group to Italian households and SMEs amounted to around €29 billion. In the first nine months of 2023, the Group facilitated the return to performing status of around 2,800 companies, thus safeguarding around 14,000 jobs. This brought the total to over 140,000 companies since 2014, with 700,000 jobs safeguarded over the same period.

For more information on European legislative initiatives on Non-Performing Loans, please refer to the "*Regulatory Section*" of this Base Prospectus.

For further information on the management of the "credit risk", please refer to Part E of the explanatory note of the consolidated financial statements for 2022, included by reference in this Base Prospectus.

Market risk

In the first nine months of 2023, with regard the overall limit relating to trading and the hold to collect and sell (HTCS) business model, the Group's average managerial VaR was equal to €167 million, in reduction compared to the same period of 2022, which was equal to €205 million.

Regarding held for trading portfolio only, managerial VaR has recorded in the first nine months of 2023 an average value of € 32.3 million, (€ 23.4 million was the average value on 30 September 2022): the increase is mainly attributable to both portfolio actions for interest rate risk management and to market scenarios for interest risk factor characterized by higher volatility than in the same period of 2022.

The market risk is the risk of losses in the value of financial instruments, including the securities of sovereign States held by the Bank, due to the movements of market variables (by way of example and without limitation, interest rates, prices of securities, exchange rates), which could determine a deterioration of the financial soundness of the Bank and/or the Group. Such deterioration could be produced either by negative effects on the income statement deriving from positions held for trading purposes, or from negative changes in the FVOCI (*Fair Value through Other Comprehensive Income*) reserve, generated by positions classified as financial Activities evaluated at fair value, with an impact on the overall profitability.

The Bank is therefore exposed to possible changes of the financial instruments value, including the securities issued by sovereign States, due to fluctuations of interest rates, exchange rates of currencies, prices of the securities listed on the markets, commodities and credit spreads and/or other risks. Such fluctuations could be caused by changes in the general economic trend, the investors' propensity to investments, monetary and tax policies, liquidity of the markets on a global scale, availability and capital cost, interventions of rating agencies, political events both at social and international level, war conflicts and acts of terrorism. The market risk occurs both with respect to the trading book, which includes the financial trading instruments and derivative instruments related thereto, and the banking book, which includes the financial assets and liabilities that are different from those contained in the trading book.

For further information please see Part E of the Explanatory Note of the consolidated financial statements, incorporated by reference to this Base Prospectus.

Liquidity risk of Intesa Sanpaolo

*The ratio between the loans to customers and the direct deposits from banking business, as reported in the Intesa Sanpaolo Group 2023 Interim 3rd Quarter Report ("**Loan to deposit ratio**"), on 30 September 2023 was at 77.7%, compared to 81.9% on 31 December 2022.*

Both regulatory indicators, LCR and NSFR, were well above the minimum regulatory requirements (100%). The Liquidity Coverage Ratio (LCR) of the Intesa Sanpaolo Group, measured according to Delegated Regulation (EU) 2015/61, amounted to an average of 169.3 over the last twelve months ending September 2023[1]. The NSFR measured in accordance with regulatory instructions, was 121% at the end of September 2023.

The participation of the Group to TLTRO funding transactions with ECB at the end of September 2023 was equal to approximately nominal €45 billion.

Although the Bank constantly monitors its own liquidity risk, any negative development of the market situation and the general economic context and/or creditworthiness of the Bank, may have negative effects on the activities and the economic and/or financial situation of the Bank and the Group. In particular, in light of the findings set forth in the EBA third report on LCR and NSFR monitoring[2], the Issuer remains attentive to the evolution of the funding market to ensure that its ordinary refinancing strategies and normal businesss are not affected by the cumulative effect of the maturity of all the remaining central bank funding and additional outflows due to the impact of adverse market liquidity scenarios.

The liquidity risk is the risk that the Bank is not able to satisfy its payment obligations at maturity, both due to the inability to raise funds on the market (funding liquidity risk) and of the difficulty to disinvest its own assets (market liquidity risk).

The liquidity of the Bank may be prejudiced by the temporary impossibility of accessing capital markets by the issuance of debt securities (both guaranteed and not guaranteed), the inability to receive funds from counterparties which are external to or of the Group, the inability to sell certain assets or redeem its investments, as well as unexpected cash outflows or the obligation to provide more guarantees. Such a situation may occur by reason of circumstances that are independent from the control of the Bank, such as a general market disruption or an operational issue which affects the Bank or any third parties, or also by reason of the perception among the participants in the market that the Bank or other participants in the market are experiencing a higher liquidity risk. The liquidity crisis and the loss of trust in the financial institutions may increase the Bank's cost of funding and limit its access to some of its traditional liquidity sources.

Examples of liquidity risk manifestation are the bankruptcy of an important participant to the market, or concerns about its possible default, which may cause serious liquidity issues, losses or defaults of other banks which, in turn, could negatively affect the Bank; and a decrease of the creditworthiness of third parties of which the Bank holds securities or bonds, that may determine losses and/or negatively affect the ability of the Bank to invest again or use in a different way such securities or bonds for liquidity purposes.

For further information please see Part E of the explanatory note of the consolidated financial statements, incorporated by reference in this Base Prospectus.

Operational risk

The Bank is exposed to several categories of operational risk which are intrinsic to its business, among which those mentioned herein, by way of example and without limitation: frauds by external persons, frauds or losses arising from the unfaithfulness of the employees and/or breach of control procedures, operational errors, defects or malfunctions of computer or telecommunication systems, computer virus attacks, default of suppliers

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[1] The LCR ratio refers to the simple average of the last 12 months of monthly observations, as per Regulation (EU) 2021/637.

[2] EBA Report on "Monitoring of liquidity coverage ratio and net stable funding ratio implementation in the EU" of 15 June 2023.

with respect to their contractual obligations, terrorist attacks and natural disasters. The occurrence of one or more of said risks may have significant negative effects on the business, the operational results and the economic and financial situation of the Bank. The capital absorption amounts to €2,119 million as at 30 September 2023 and represents approximately 9% of the total value of the Intesa Sanpaolo Group requirement.

The operational risk may be defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Operational risk includes the following risks: legal, conduct, compliance, financial crime, fiscal, IT and Cyber, physical security, business continuity, third-party, data quality, fraud, process and employer risks; strategic and reputational risk are not included.

The Bank has defined a framework for the operational risks management which consists of the following phases:

- identification: the detection and description of potential operational risk areas (e.g. operational events, presence of issues, applicability of risk factors, significant risk scenarios);
- assessment and measurement: this phase includes the activities aimed at the qualitative/quantitative determination of the Group operational risk exposure and the transformation of the evaluations collected (e.g. internal and external operational loss data, management levels of risk factors, probability and impact in case of realisation of risk scenarios) in synthetic risk measures;
- monitoring and control: continuous management of changes in the operational risk exposure, also to prevent the occurrence of harmful events and to promote active risk management;
- mitigation: operational risk containment through appropriate mitigation actions and suitable risk transfer strategies, based on a risk-driven approach;
- reporting: preparation of information flows related to operational risk management, designed to ensure adequate knowledge of the exposure to this risk.

Although the Bank constantly supervises its own operational risks, certain unexpected events and/or events out of the Bank's control may occur (including those mentioned above by way of example and without limitation), with possible negative effects on the business and the economic and/or financial situation of the Bank and the Group, as well as on its reputation.

Moreover, the Circular No. 285 has been recently amended to implement the EBA Guidelines on ICT and security risk management. Therefore, starting from 30 June 2023, the Bank implemented certain organizational arrangements to ensure compliance with the changes recently introduced to Circular No. 285.

For further information please see Part E of the explanatory note of the consolidated financial statements for 2022, incorporated by reference in this Base Prospectus.

Foreign exchange risk

The Bank is exposed to several categories of foreign exchange risk which are intrinsic to its business and are lied in foreign currency loans and deposits held by customers, purchases of securities, equity investments and other financial instruments in foreign currencies, conversion to domestic currency of assets, liabilities and income of branches and subsidiaries abroad, trading of foreign currencies and banknotes, and collection and/or payment of interest, commissions, dividends and administrative costs in foreign currencies. Although the Bank constantly monitors its exposure to foreign currencies, any negative development of the foreign rates may have negative effects on activities and the economic and/or financial situation of the Bank and the Group.

"Foreign exchange risk" is defined as the potential loss resulting from changes in the exchange rate that could have a negative impact on the valuation of the assets and liabilities in the financial statements and on earnings and capital ratios. Two types of Foreign Exchange Risk are identified: Structural and Transaction risk. Structural Foreign Exchange Risk is defined as the potential loss resulting from changes in the exchange rate that could have a negative impact on the foreign exchange reserves that are part of the Group's consolidated shareholders' equity, and includes the foreign exchange risk associated with hybrid capital instruments. The key sources of structural foreign exchange risk are therefore the investments in associates and companies subject to joint control.

The Intesa Sanpaolo Group's management of the Structural Foreign Exchange Risk assigns the Parent Company the related management and coordination powers in order to achieve a consistent Group strategy. This choice, which is consistent with the Parent Company's role as the liaison with the Supervisory Authority, allows the activities to be performed based on the specific responsibilities set out in the prudential supervision regulations, in addition to suitably mitigating and/or managing this type of risk. Transaction Foreign Exchange Risk is defined as the potential loss resulting from changes in the exchange rate that may have a negative impact both on the valuation of the assets and liabilities in the financial statements and on the earnings from funding and lending transactions in currencies other than the euro.

The main sources of this foreign exchange risk consist of: non-euro loans and deposits held by corporate and/or retail customers; conversion into domestic currency of assets, liabilities and income of the international branches; trading of foreign currencies; collection and/or payment of interest, commissions, dividends and administrative expenses in foreign currencies; purchase and sale of securities and financial instruments for the purpose of resale in the short term; etc. Transaction foreign exchange risk also includes the risk related to transactions connected to operations that generate the type of structural foreign exchange risk represented, for example, by dividends, earnings in the process of being generated, and corporate events.

Risk related to the development of the banking sector regulation and the changes in the regulation on the solution of banking crises

The Bank is subject to a complex and strict regulation, as well as to the supervisory activity performed by the relevant institutions (in particular, the European Central Bank, the Bank of Italy and CONSOB). Both the aforementioned regulation and supervisory activity are subject, respectively, to continuous updates and practice developments.

Furthermore, as a listed Bank, the Bank is required to comply with further provisions issued by CONSOB.

The Bank, besides the supranational and national rules and the primary or regulatory rules of the financial and banking sector, is also subject to specific rules on anti-money laundering, usury and consumer protection.

Although the Bank undertakes to comply with the set of rules and regulations, any changes of the rules and/or changes of the interpretation and/or implementation of the same by the competent authorities could give rise to new burdens and obligations for the Bank, with possible negative impacts on the operational results and the economic and financial situation of the Bank.

Regulatory framework

Starting from 1 January 2014, a part of the prudential Rules has been amended on the grounds of the Directions deriving from the so-called Basel III agreements, mainly with the purpose to significantly strengthen the minimum capital requirements, the restraint of the leverage degree and the introduction of policies and quantitative rules for the mitigation of the liquidity risk of the banks.

As for the capital requirements, the prudential provisions in force provide for minimum capitalisation levels. In particular, the banks are required to have a Common Equity Tier 1 (CET 1) ratio at least equal to 7% of the risk-weighted assets, a Tier 1 ratio equal at least to 8.5% of the risk-weighted assets and a Total Capital ratio equal at least to 10.5% of said risk-weighted assets (such minimum levels include the so-called "capital conservation buffer", namely a "buffer" of further mandatory capitalisation).

As known, *Intesa Sanpaolo*, as a bank of significant importance for the European financial system, is subject to direct supervision of the European Central Bank (ECB). Following the Supervisory Review and Evaluation Process (SREP) the ECB provides, on an annual basis, a final decision of the capital requirement that *Intesa Sanpaolo* must comply with at consolidated level. On 30 November 2023, *Intesa Sanpaolo* announced that it had received the final decision of the ECB concerning the capital requirement that the Bank has to meet as of 1 January 2024. The overall capital requirement the Bank is required to meet in terms of Common Equity Tier 1 ratio is currently 9.32%.

This is the result of: a) a SREP requirement in terms of Total Capital ratio equal to 9.50%, which includes a Pillar I minimum requirement of 8%, of which 4.5% in terms of Common Equity Tier 1, and an additional

Pillar II requirement of 1.50%[3], of which 0.84% in terms of Common Equity Tier 1; b) the additional requirements, entirely in terms of Common Equity Tier 1, represented by: the Capital Conservation Buffer of 2.5%; the O-SII Buffer (Other Systematically Important Institutions Buffer) of 1.25% and the Countercyclical Capital Buffer of 0.23%[4].

As at 30 September 2023, after having deducted from capital €4.3 billion of dividends accrued in the nine months of 2023, the Common Equity Tier 1 ratio stood at 13.6%, the Tier 1 ratio at 16.2% and the Total capital ratio at 19.2%.

As for the liquidity, the European rules envisage, *inter alia*, a short-term indicator (Liquidity Coverage Ratio or **LCR**), aimed at creating and maintaining a liquidity buffer able to allow the survival of the bank for a period of thirty days in case of serious market stress, and a structural liquidity indicator (Net Stable Funding Ratio or **NSFR**) with a temporal horizon longer than a year, introduced to ensure that the assets and liabilities have a sustainable maturity structure.

Both indicators of the Group are widely above the minimum limits provided by the Rules.

Despite the overall liquidity situation of the Group is more than safe and under constant control, some risks may materialize in the horizon, depending on the economic recovery. An important mitigating factor to these risks are the contingency management policies in place in the Group system of rules.

With regard to the Russia-Ukraine conflict, currently, in light of the low exposure to Russian and Ukrainian counterparties, there were no significant impacts on the Group's consolidated liquidity position. See: "*Description of Intesa Sanpaolo S.p.A. – Exposure to Russia".*

Furthermore, the Capital Requirement Regulation (CRR2, transposing Basel III Accord) introduced the financial Leverage Ratio, which measures the coverage degree of Class 1 Capital compared to the total exposure of the Bank Group. Such index is calculated by considering the assets and exposures out of the budget. The objective of the indicator is to contain the degree of indebtedness in the balance sheets of the banks. The ratio is subject to a minimum regulatory limit of 3%.

Although the above-mentioned regulatory evolution (further described under the "*Regulatory Section*" on page 254 of this Base Prospectus) envisages a gradual adaptation to the new prudential requirements, the impacts on the management dynamics of the Bank could be significant.

In this context, a few other relevant provisions are the implementation of Directives 2014/49/EU (*Deposit Guarantee Schemes Directive*) of 16 April 2014 and the adoption of the (EU) Regulation no. 806/2014 of the European Parliament and the Council of 15 July 2014 (*Single Resolution Mechanism Regulation,* – so-called "**SRMR**"), which may determine a significant impact on the economic and financial position of the Bank and the Group, as such rules set the obligation to create specific funds with financial resources that shall be provided, starting from 2015, by means of contributions by the credit institutions.

Moreover, the Directive 2014/59/EU of the European Parliament and the Council (Bank Recovery and Resolution Directive, "**BRRD**", as amended by Directive 879/2019/EU, "**BRRD II**"), which, *inter alia*, introduced the so-called "bail-in", Regulation 2019/876/EU of the European Parliament and the Council, which amends Regulation 575/2013/EU (s.c. "CRR II") and the Directive of the Parliament and the Council 2019/878/EU, which amends Directive 2013/36/EU (s.c. "CRD V") must be taken into consideration and put in force by Intesa Sanpaolo Group.

The Intesa Sanpaolo Group is subject to the BRRD, as subsequently amended, which is intended to enable a wide range of actions that could be taken towards institutions considered to be at risk of failing (i.e., the sale

[3] Following the additional Article 3 CRR deduction made to Own funds in June 2023 (for the calendar provisioning on exposures included in the scope of Pillar 2), the Supervisor updated the Pillar 2 Requirement (P2R) applicable in 2023 (SREP 2022). As a result, from the second half of 2023, the P2R on Total Capital is 1.50% (compared to 1.72% previously).

[4] Computed taking into account the exposure as at 30 September 2023 in the various countries where the Group has a presence, as well as the respective requirements set by the competent national authorities and relating to 2025, where available, or the most recent update of the reference period (requirement was set at zero in Italy for 2023).

of business, the asset separation, the bail-in and the bridge bank). The execution of any action under the BRRD towards the Intesa Sanpaolo Group could materially affect the value of, or any repayments linked to the Notes.

On 15 October 2013, the Council of the European Union adopted the Council Regulation (EU) No. 1024/2013 granting specific tasks to the ECB as per prudential supervision policies of credit institutions (the "**SSM Regulation**") in order to establish a single supervisory mechanism (the "**Single Supervisory Mechanism**" or "**SSM**"). From 4 November 2014, the SSM Regulation has conferred to the ECB, in conjunction with the national regulatory authorities of the Eurozone and participating Member States, direct supervisory responsibility over "banks of significant importance" in the Eurozone.

In this respect, "banks of significant importance" include any Eurozone bank in relation to which (i) the total value of its assets exceeds €30 billion or – unless the total value of its assets is below €5 billion – the ratio of its total assets over the national gross domestic product exceeds 20%; (ii) is one of the three most significant credit institutions established in a Member State; (iii) has requested, or is a recipient of, direct assistance from the European Financial Stability Facility or the European Stability Mechanism; (iv) is considered by the ECB to be of significant relevance where it has established banking subsidiaries in more than one participating Member State and its cross-border assets/liabilities represent a significant part of its total assets/liabilities.

Notwithstanding the fulfilment of the relevant criteria, the ECB, on its own initiative after consulting with each national competent authority or upon request by a national competent authority, may declare an institution significant to ensure the consistent application of high-quality supervisory standards. Intesa Sanpaolo and the Intesa Sanpaolo Group have been classified, respectively, as a significant supervised entity and a significant supervised group within the meaning of Regulation (EU) No. 468/2014 of the European Central Bank of 16 April 2014 establishing the framework for co-operation within the Single Supervisory Mechanism between the European Central Bank and each national competent authority and with national designated authorities (the "**SSM Framework Regulation**") and, as such, are subject to direct prudential supervision by the ECB in respect of the functions granted to ECB by the SSM Regulation and the SSM Framework Regulation.

Moreover, as of the date of this Base Prospectus, the Bank of Italy's authority to introduce a systemic risk buffer and borrower-based measures has recently been introduced into the Circular No 285 (as defined below) and there is uncertainty as to how (and if) the Italian regulator would exercise such authority. Therefore, it is not yet clear what impact these regulatory changes will have on Group's operations. Moreover, as at the date of this Base Prospectus, the European co-legislators have recently reached a provisional agreement on the 2021 Banking Reform Package (as defined below) but there is uncertainty as to its adoption and implementation, and thus it is not yet clear how and to what extent the entering into force of this legislative package may impact the Group's operations. Finally, as at the date of this Base Prospectus, the CMDI Reform (as defined below) has been recently proposed. The CMDI Reform includes, among other things, the amendment of the ranking of claims in insolvency ensuring a general depositor preference with a single-tier depositor preference. The implementation of the CMDI Proposal is subject to further legislative procedures and, as at the date of this Base Prospectus, there is still legal uncertainty as to what extent its adoption and implementation would impact on the Issuer's operation.

For further details, please see the "*Regulatory Section*" of this Base Prospectus.

Reputational and ESG Risk of Intesa Sanpaolo

Financial institutions are facing increased scrutiny on climate and broader environmental, social and governance ("ESG")-related issues from governments, regulators, shareholders and other bodies. This focus on ESG may lead to reputational risks if the Bank is not perceived to support the transition to a lower carbon economy, as well as to protect biodiversity and human rights. The Bank is also required to review and enhance our ESG risk management frameworks in alignment with emerging regulatory guidance and to ensure that we accurately portray the ESG aspects of our activities.

Within the Bank the governance of Reputational and ESG risks is carried out in close integration due to the strong interconnections between these risk profiles.

Reputational risk is the current or prospective risk of a decline in profits or enterprise value (capitalization) resulting from a negative perception of the Group's image by customers, counterparties, Group shareholders, investors, or regulatory authorities. While ESG risks include all risks arising from potential negative impacts, direct or indirect, on the environment, people and communities and more generally all stakeholders, in addition

to those arising from corporate governance. Within this category of risk climate change risk is of significant relevance.

The Bank is exposed to risks arising from climate change either directly through its own operations or indirectly through its financing and investment activities. The taxonomy adopted by Intesa Sanpaolo divides climate change risks into physical and transition risks.

Physical risks represent the negative financial impact from climate change, including more frequent extreme weather events and gradual climate change, as well as environmental degradation, i.e. air, water and soil pollution, water stress, biodiversity loss, and deforestation. These types of risks – which can usually arise in both the short/medium and long term – can be broken down into acute and chronic risks:

- acute physical risks refer to specific events that have the potential to create significant physical damage (e.g. flooding of rivers and oceans, tropical storms). These events are occurring more frequently, on both a regional and global basis;

- chronic physical risks involve a series of physical impacts of considerably longer duration than those posed by acute risks. They are identifiable as processes of change rather than single events. In most cases, the impacts are localised (e.g., drought) but chronic risks are likely to become more significant in the long term.

Transition risks are the negative financial impacts that an institution may incur, directly or indirectly, as a result of the process of adjustment to a low-carbon and more environmentally sustainable economy, arising from:

- public policy and legal risks: this category includes policies that attempt to limit actions that contribute to the negative effects of climate change or political actions that seek to promote adaptation to climate change and the legal risk arising from the inability of organisations to mitigate/adapt to climate change;

- technological developments: these include innovations that support the transition to a low-carbon and energy-efficient economic system;

- consumer preferences: changes in the demand and supply of certain goods, products and services;

- reputational risk arising from changes in customer or community perceptions of an organisation's contribution to the transition to a low-carbon economy.

Even though the Bank is working on the identification of the potential impact and the mitigation action to be taken to address both transition and physical risks, climate change could nonetheless have a material adverse effect on our business, results of operations and financial condition. In our Business Plan, we aim at creating strong and sustainable value for our shareholders, further increasing our solid capital position and our ESG commitment. We are also working to achieve a net-zero emission target, in terms of own emissions by 2030, and in terms of loan and investment portfolios, asset management and insurance sectors by 2050. This includes the ability to identify, monitor and manage ESG-related risks associated with the activities of customer companies in the investment and lending decisions by the Group. Both rapidly changing regulatory as well as stakeholder demands, combined with significant focus by stakeholders, may materially affect our businesses if we fail to adopt such demands or appropriately implement our strategic plans. See "*Business—Overall Group strategy and Business Plan—ESG Commitment.*"

Risks related to the entry into force of new accounting principles and the amendment of the applied accounting principles

The Bank is exposed, as well as any other entity operating within the bank sector, to the effects deriving from both the entry into force of new accounting principles and the amendment of the existing ones, in particular with respect to the International Accounting Standards and International Financial Reporting Standards (IAS/IFRS), as approved and adopted within the European legal system.

It is primarily noted that IFRS 17 Insurance Contracts, published by the IASB in May 2017 and subject to subsequent amendments, endorsed with Regulation (EU) no. 2036/2021 of 19 November 2021, is applicable from 1 January 2023.

The Interim Statement as at 31 March 2023 were the first financial statements drawn up in application of IFRS 17. At the same time, the insurance companies of the Intesa Sanpaolo Group also applied for the first time IFRS 9 Financial Instruments, the application of which was deferred by virtue of the application of the deferral approach[5].

The new standard envisages the introduction of new balance sheet figures and different ways of recognising the profitability of insurance products in the financial statements, which could lead to both balance sheet impacts upon first-time adoption of the standard and volatility in the income statement once the standard is being implemented. The balance sheet impact upon first-time adoption depends on the level of market rates at the transition date, as well as the transition approaches adopted. On the other hand, the income statement result is closely related to how the Contractual Service Margin ("**CSM**") is released over time and how it is adjusted following revisions to the operational and financial assumptions included in the cash flow and risk adjustment. With regard to the effects of the application of IFRS 17, at the transition date (1 January 2022), the Shareholders' Equity in the Group Consolidated Financial Statements decreased by 985 million euro, net of the tax effect, due to greater insurance liabilities for 731 million euro (505 million euro net of the tax effect) due to the different measurement criteria set out in IFRS 17 in place of the previous IFRS 4 and to the derecognition of intangible assets (new business and distribution) with a finite useful life, for a total of 685 million euro (480 million euro net of the tax effect). The total effect on shareholders' equity as at 31 December 2022 deriving from the combined application of IFRS 9 and IFRS 17 was a negative 552 million euro net of the tax effect. That effect is due to the impacts of transition to IFRS 17/IFRS 9 as at 1 January 2022 (a negative 985 million euro), partially offset during the year by greater income (25 million euro) and greater reserves (408 million euro) expressed in accordance with the new standards.

Shareholders' Equity in terms of own funds decreased as at 31 December 2022 by -408 million euro, with an impact of -11 basis points on the CET 1 ratio. Note that, for the purpose of the prudential calculation, the investment in the insurance companies falls under the Danish Compromise regime, which allows the investment to be weighted at 370% instead of deducting it from CET1.

For further details on the first adoption of the new principle IFRS 17 and IFRS 9 for Group's insurance companies, including a complete illustration of the provisions of these standards, the Group's choices and the related impacts, please refer to the specific section "*Transition to IFRS 17 Insurance Contracts and IFRS 9 Financial Instruments by the Group's insurance companies*" included in the Half-Yearly Report as at 30 June 2023.

For further details on the first adoption of the new principle or amendment to existing international IAS/IFRS accounting principles please refer to the specific information included in the chapter "*Notes to the consolidated financial statements – Part A – Accounting policies"* of the 2021 Annual Report and the 2022 Annual Report and in the chapter "*Explanatory notes - Accounting policies"* of the Half-yearly report as at 30 June 2023.

Risk Factors relating to the Notes

The risks below have been classified into the following categories:

The Notes may not be a suitable investment for all investors;

Risks related to Notes generally;

Risks related to the structure of a particular issue of Notes;

Risks related to the market generally.

[5] Note that, by virtue of the application of the Deferral Approach, the financial assets and liabilities of the subsidiary insurance companies continued to be recognised in accordance with the provisions of IAS 39, while awaiting the entry into force of the new international financial reporting standard on insurance contracts (IFRS 17).

The Notes may not be a suitable investment for all investors

Each potential investor in the Notes must determine the suitability of that investment in the light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as standalone investments. They purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

Risks related to Notes generally

Resolution Powers and contractual recognition of the BRRD

Under the BRRD framework the Relevant Authorities have the power to apply "resolution" tools if the relevant Issuer is failing or likely to fail, as an alternative to compulsory liquidation proceedings. Specifically, these tools are: (1) the sale of business assets or shares of the relevant Issuer; (2) the establishment of a bridging institution; (3) the separation of the unimpaired assets of the relevant Issuer from those which are deteriorated or impaired; and (4) a bail-in, through write-down/conversion into equity of regulatory capital instruments (including the Subordinated Notes) as well as other liabilities of the relevant Issuer (including the Senior Preferred Notes, the Senior Non-Preferred Notes and the Guarantee) if the relevant conditions are satisfied and in accordance with the creditors' hierarchy provided under the relevant provisions of Italian law.

Furthermore, Article 33a of BRRD II introduces a new pre-resolution moratorium tool as a temporary measure in an early stage and new suspension powers, which the resolution authority can use within the resolution period. Any suspension of activities can, as stated above, result in the partial or complete suspension of the performance of agreements (including any payment or delivery obligation) entered into by the respective credit institution. The exercise of any such power or any suggestion of such exercise could materially adversely affect the rights of the holders of securities issued by the Issuers, the price or value of their investment in any such security and/or the ability of the credit institution to satisfy its obligations under any such security.

In particular, by its acquisition of a Note (whether on issuance or in the secondary market), each holder of the Notes acknowledges, accepts, agrees to be bound by and consents to the exercise of any resolution power by a Relevant Authority that may result in (i) the cancellation of all, or a portion, of the principal amount of, or interest on, the Notes and/or the conversion of all, or a portion, of the principal amount of, or interest on, the Notes into equity or other securities or other obligations of the Issuers or another person, including by means of a variation to the terms of the Notes and/or (ii) the cancellation of the Guarantee or the modification of any of its terms, in each case to give effect to the exercise by a Relevant Authority of such resolution power. Each holder of the Notes acknowledges, accepts and agrees that its rights as a holder of the Notes or beneficiary of

the Guarantee are subject to, and will be varied, if necessary, so as to give effect to, the exercise of any such power by any Relevant Authority. The exercise of the resolution power by the Relevant Authority will not constitute an event of default under the Notes.

The exercise of any resolution power, which could result in the Notes being written down or converted into equity pursuant to such statutory measures, or any suggestion of such exercise could, therefore, materially adversely affect the rights of the Noteholders, the price or value of their investment in the Notes, the ability of each Issuer to satisfy its obligations under the Notes, and may have a negative impact on the market value of the Notes.

Modification, waivers and substitution

The Trust Deed, the Agency Agreement for the Italian Law Notes in Physical Form and the Terms and Conditions of the Dematerialised Notes contain provisions for calling Noteholders' meetings for matters that may affect their interests in general. These provisions allow the establishment of majorities that shall be bindable to all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The conditions of the Notes also provide that the Trustee (in respect of the English Law Notes in Physical Form) or the Fiscal Agent (in respect of the Italian Law Notes in Physical Form) as the case may be, may, without the consent of Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of relevant Notes or (ii) determine without the consent of the relevant Noteholders that any Event of Default or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes in place of the Issuers, in the circumstances described in Condition 17 (*Meetings of Noteholders; Modification and Waiver; Substitution; Additional Issuers*) of the Terms and Conditions of the English Law Notes in Physical Form, in Condition 16 (*Meetings of Noteholders; Modification and Waiver; Substitution*) of the Terms and Conditions of the Italian Law Notes in Physical Form and in Condition 15 (*Meetings of Noteholders; Modification and Waiver; Substitution*) of the Terms and Conditions of the Dematerialised Notes.

Change of law

The Terms and Conditions of the English Law Notes in Physical Form are English law based in effect as at the date of this Base Prospectus, except for the status provisions applicable to the Notes and the contractual recognition of bail-in powers provisions, and any non-contractual obligations arising out of or in connection with such provisions, which shall be governed by, and construed in accordance with, Italian law, Irish law or Luxembourgish law, as applicable.

The Terms and Conditions of the Italian Law Notes in Physical Form and the Terms and Conditions of the Dematerialised Notes are Italian law based in effect as at the date of this Base Prospectus.

No assurance can be given as to the impact of any possible judicial decision or change to applicable law or administrative practice after the date of this Base Prospectus.

Tax changes may affect the tax treatment of the Notes

Law No. 111 of 9 August 2023, published in the Official Gazette No. 189 of 14 August 2023 ("**Law 111**"), delegates power to the Italian Government to enact, within twenty-four months from its publication, one or more legislative decrees implementing the reform of the Italian tax system (the "**Tax Reform**").

According to Law 111, the Tax Reform will significantly change the taxation of financial incomes and capital gains and introduce various amendments in the Italian tax system at different levels. The precise nature, extent, and impact of these amendments cannot be quantified or foreseen with certainty at this stage.

The information provided in this Base Prospectus may not reflect the future tax landscape accurately.

Investors should be aware that the amendments that may be introduced to the tax regime of financial incomes and capital gains could increase the taxation on interest, similar income and/or capital gains accrued or realised under the Notes and could result in a lower return of their investment.

Prospective investors should consult their own tax advisors regarding the tax consequences described above.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors who hold Notes through interests in the Global Notes will have to rely on their procedures for transfer, payment and communication with the Issuer

Notes issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary or common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg. While the Notes are represented by one or more Global Notes the relevant Issuer will discharge its payment obligations under the Notes once the paying agent has paid Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The relevant Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes. Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

Notes have limited Events of Default and remedies

The Events of Default, being events upon which the Trustee or the Fiscal Agent, as the case may be (or, in certain circumstances, the Noteholders) may declare the Notes to be immediately due and payable, are limited to circumstances in which Intesa Sanpaolo becomes subject to compulsory winding-up (*liquidazione coatta amministrativa*) pursuant to Articles 80 and following of the Consolidated Banking Act or voluntary winding-up (*liquidazione volontaria*) in accordance with Article 96-*quinquies* of the Consolidated Banking Act of the Republic of Italy (as amended from time to time) or insolvency, dissolution, liquidation, winding up or an analogous proceeding applicable to INSPIRE in Ireland or Intesa Luxembourg becomes subject to suspension of payments (*sursis de paiement*), as provided for in Articles 122 et seq. of the Luxembourg law of 18 December 2015 on the failure of credit institutions and certain investment firms (as amended) (the "**Luxembourg Resolution Law**"), liquidation (*liquidation*), as provided for in Articles 129 et seq. of the Luxembourg Resolution Law, or voluntary winding-up procedures (*dissolution et liquidation*) pursuant to Article 128 of the Luxembourg Resolution Law, as set out in Condition 13 (*Events of Default*) of the Terms and Conditions of the English Law Notes, Condition 12 (*Events of Default*) of the Terms and Conditions of the Italian Law Notes and Condition 12 (*Events of Default*) of the Dematerialised Notes. Accordingly, other than following the occurrence of an Event of Default (and, for the avoidance of doubt, resolution proceeding(s) or moratoria imposed by a resolution authority in respect of the Issuer shall not constitute Events of Default for the Notes for any purpose), even if the relevant Issuer fails to meet any of its obligations under the Notes, including the payment of any interest, or in case of the exercise of the Italian Bail-in Power or the Luxembourg Bail-in Power or the Irish Bail-in Power (as applicable) by the Relevant Authority, the Trustee or the Fiscal Agent, as the case may be (and the Noteholders) will not have the right of acceleration of principal and the sole remedy available to Noteholders for recovery of amounts owing in respect of any of the Notes will be the institution of proceedings to enforce such payment. Notwithstanding the foregoing, the relevant Issuer will not, by virtue of the institution of any such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it. Furthermore, investors should consider that the terms and conditions of the Notes do not provide for negative pledge provisions.

In the case of Notes which are issued as Green Bonds, Social Bonds, Sustainability Bonds or Climate Bonds, please also see risk factor "*Notes issued, if any, as "Green Bonds", "Social Bonds", "Sustainability Bonds" or "Climate Bonds" may not be a suitable investment for all investors seeking exposure to green assets or social assets or sustainable assets*".

Waiver of set-off

In Condition 4(a) (*Status – Senior Preferred Notes*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 4(a) (*Status – Senior Preferred Notes*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 4(a) (*Status – Senior Preferred Notes*) of the Terms and Conditions of the Dematerialised Notes with respect to Senior Preferred Notes, Condition 4(b) (*Status – Senior Non-Preferred Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the English Law Notes in Physical

Form, Condition 4(b) (*Status – Senior Non-Preferred Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 4(b) (*Status – Senior Non-Preferred Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the Dematerialised Notes with respect to Senior Non-Preferred Notes and Condition 4(c) (*Status – Subordinated Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 4(c) (*Status – Subordinated Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 4(c) (*Status – Subordinated Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the Dematerialised Notes with respect to Subordinated Notes, each holder of a Note unconditionally and irrevocably waives any right of set-off, counterclaim, abatement or other similar remedy which it might otherwise have, under the laws of any jurisdiction, in respect of such Note.

Risks related to the structure of a particular issue of Notes

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Under no circumstances shall the interest payments for the Noteholder be less than zero. Set out below is a description of the most common features:

Risk relating to the governing law of the Italian Law Notes in Physical Form

The Terms and Conditions of the Italian Law Notes in Physical Form are governed by Italian law and Condition 20 (*Governing Law and Jurisdiction*) of the Terms and Conditions of the Italian Law Notes in Physical Form provides that contractual and non-contractual obligations arising out or in connection with them are governed by, and shall be construed in accordance with, Italian Law, pursuant to EU and Italian private international law provisions as applicable from time to time. The Global Notes representing the Italian Law Notes in Physical Form provide that all contractual and non-contractual obligations arising out of or in connection with the Global Notes representing the Italian Law Notes in Physical Form are governed by Italian law, save for the form and transferability of the Global Notes which are governed by English law. Article 59 of Law No. 218 of 31 May 1995 (the "**Italian Private International Law**") provides that other debt securities (*titoli di credito*) are governed by the law of the State in which the security was issued. The Temporary Global Notes or the Permanent Global Notes, whether issued in CGN or NGN form, as the case may be, representing the Italian Law Notes are signed by the Issuers in the United Kingdom and are, thereafter, delivered to Deutsche Bank AG, London Branch as initial Fiscal Agent and Paying Agent, being the entity in charge of, *inter alia*, completing, authenticating and delivering the Temporary Global Note and Permanent Global Notes and (if required) authenticating and delivering Definitive Notes.

The Issuer cannot foresee the effect of any potential misalignment between the laws applicable to the Terms and Conditions of the Italian Law Notes in Physical Form and the laws applicable to their transfer and circulation for any prospective investors in the Italian Law Notes in Physical Form and any disputes which may arise in relation to, *inter alia,* the transfer of ownership in the Italian Law Notes in Physical Form on the basis of the above-mentioned provisions of Italian Private International Law and the relevant applicable European legislation.

Integral multiples of less than €100,000 in respect of Notes in Physical Form

Subject to any minimum denomination applicable to Notes issued by INSPIRE or Intesa Luxembourg, in relation to any Notes issued in denominations representing the aggregate of (i) a minimum Specified Denomination of €100,000 (or €150,000 in the case of Senior Non-Preferred Notes or €200,000 in the case of Subordinated Notes or such other minimum denomination provided by applicable law from time to time), plus (ii) integral multiples of another smaller amount, Notes may be traded in amounts which, although greater than €100,000 (or €150,000 in the case of Senior Non-Preferred Notes or €200,000 in the case of Subordinated Notes or such other minimum denomination provided by applicable law from time to time) (or its equivalent in another currency), are not integral multiples of €100,000 (or €150,000 in the case of Senior Non-Preferred Notes or €200,000 in the case of Subordinated Notes or such other minimum denomination provided by applicable law from time to time) (or such other minimum denomination provided by applicable law from time to time) (or its equivalent). In such a case, a Noteholder who, as a result of trading such amounts, holds a principal amount of less than €100,000 (or €150,000 in the case of Senior Non-Preferred Notes or €200,000 in the case of Subordinated Notes or such other minimum denomination provided by applicable law from time to time) will not receive a definitive Note in respect of such holding (if definitive Notes are printed) and would

need to purchase a principal amount of Notes such that it holds an amount equal to one or more Specified Denominations.

No physical document of title issued in respect of the Notes issued in dematerialised form

Notes issued under the Programme may be issued in dematerialised form and evidenced at any time through book entries pursuant to the relevant provisions of the Financial Services Act and in accordance with the CONSOB and Bank of Italy Joint Regulation (as defined in the Terms and Conditions for the Dematerialised Notes). In no circumstance would physical documents of title be issued in respect of the Notes issued in dematerialised form. While the Notes are represented by book entries, investors will be able to trade their beneficial interests only through Monte Titoli and the authorised financial intermediaries holding accounts on behalf of their customers with Monte Titoli. As the Notes are held in dematerialised form with Monte Titoli, investors will have to rely on the procedures of Monte Titoli and the financial intermediaries authorised to hold accounts therewith, for transfer, payment and communication with the Issuer.

Potential Conflicts of Interest for Dematerialised Notes

The Issuer may act as Paying Agent and Calculation Agent for the Dematerialised Notes and a conflict of interest may arise being the Issuer engaged in its other banking activities from time to time and in transactions involving an index or related derivatives which may affect amounts receivable by Noteholders during the term and on the maturity of the Dematerialised Notes or the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders. (See also "Conflicts of Interest" below).

Notes issued, if any, as "Green Bonds", "Social Bonds", "Sustainability Bonds" or "Climate Bonds" may not be a suitable investment for all investors seeking exposure to green assets or social assets or sustainable assets

If so specified in the relevant Final Terms (or the Drawdown Prospectus as the case may be), the Issuers may issue Notes under the Programme described as "green bonds" ("**Green Bonds**"), "climate bonds" ("**Climate Bonds**"), "social bonds" ("**Social Bonds**"), "sustainability bonds" ("**Sustainability Bonds**") in accordance with the principles set out by the International Capital Market Association ("**ICMA**") (respectively, the Green Bond Principles ("**GBP**"), the Social Bond Principles ("**SBP**") and the Sustainability Bond Guidelines ("**SBG**")), or in accordance with the Climate Bonds Standard set out by the Climate Bonds Initiative.

In such a case, prospective investors should have regard to the information set out at "Reasons for the Offer, estimated net proceeds and total expenses" in the applicable Final Terms (or the Drawdown Prospectus as the case may be) and must determine for themselves the relevance of such information for the purpose of any investment in the Notes together with any other investigation such investors deem necessary, and must assess the suitability of that investment in light of their own circumstances.

In particular, no assurance is given by the Issuers or the Dealers that the use of such proceeds for the funding of any green project or social project or combination of any green and social project, as the case may be, will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations (including, amongst others, Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment (the "**EU Taxonomy Regulation**")) and the Sustainable Finance Taxonomy Regulation Delegated Acts for climate change adaptation and mitigation objectives (the "**EU Taxonomy Regulation Delegated Acts**") approved in principle by the EU Commission on 21 April 2021 and formally adopted on 4 June 2021 (the EU Taxonomy Regulation and the EU Taxonomy Regulation Delegated Acts, jointly, the ("**EU Taxonomy Framework**")) or by its own by-laws or other governing rules or investment portfolio mandates (in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, the relevant Eligible Green Projects, Eligible Social Projects or Eligible Sustainable Projects). On 9 December 2021, a first delegated act on sustainable activities for climate change mitigation and adaptation objectives of the EU Taxonomy ("**Climate Delegated Act**") was published in the Official Journal and is applicable from 1 January 2022. On 6 July 2021 the European Commission adopted the delegated act supplementing Article 8 of the EU Taxonomy Regulation ("**Disclosure Delegated Act**") which was then published in the Official Journal on 10 December 2021 and is applicable since January 2022. This delegated act specifies the content, methodology and presentation of information to be disclosed by financial and non-financial undertakings concerning the

proportion of environmentally sustainable economic activities in their business, investments or lending activities. On 9 March 2022, the European Commission adopted a complementary climate delegated act including, under strict conditions, specific nuclear and gas energy activities in the list of economic activities covered by the EU taxonomy. It was published in the Official Journal on 15 July 2022 and is applicable from January 2023. The criteria for the specific gas and nuclear activities are in line with EU climate and environmental objectives and will help accelerate the shift from solid or liquid fossil fuels, including coal, towards a climate-neutral future. On 21 November 2023, a delegated act and annexes containing the technical screening criteria of the remaining four environmental objectives and the amendments to the Disclosure Delegated Act were published in the Official Journal; on the same day, a delegated act amending the Climate Delegated Act, was published in the Official Journal.

On 18 June 2019, the Commission Technical Expert Group on sustainable finance published its final report on a future European standard for green bonds (the "**EU Green Bond Standard**"). In the context of the public consultation on the renewed sustainable finance strategy, the European Commission launched a targeted consultation on the establishment of an EU Green Bond Standard, that builds and consults on the work of the Commission Technical Expert Group and has run between 12 June and 2 October 2020. On 19 October 2020, the European Commission published the Commission Work Programme 2021, in which expressed the intention to deliver a legislative proposal by the end of the second quarter of 2021. On 6 July 2021, the European Commission officially adopted a legislative proposal for a EU Green Bond Standard setting out four main requirements: (i) allocation of the funds raised by the green bond should be made in compliance with the EU Taxonomy (as defined below); (ii) full transparency on the allocation of the green bond proceeds; (iii) monitoring and compliance activities to be carried out by an external reviewer; and (iv) registration of external reviewers with the ESMA and subject to its supervision. The European Commission, the European Council and the European Parliament entered into trilogue negotiations and reached a provisional agreement on 28 February 2023 on the legislative proposal for an EU Green Bond Standard introducing a voluntary standard. On 10 May 2023, a version of the regulation adopted by the legislative bodies of the European Union was published. Finally, on 30 November 2023, the regulation on the "European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds" was published in the Official Journal (the **"EU Green Bond Regulation**"); the Regulation will enter into force on the 20 December 2023 and will apply from 21 December 2024.

The Notes issued, as Green Bonds, under this Programme may not at any time be eligible for the Issuer to be entitled to use the designation of "European Green Bond" or "EuGB" nor is the Issuer under any obligation to take steps to have any such green bonds become eligible for such designation.

Furthermore, it should be noted that there is currently no clearly established definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, respectively "green" or a "social" or a "sustainable" project or as to what precise attributes are required for a particular project to be defined as "green" or "social" or "sustainable" or such other equivalent label. The EU Taxonomy Regulation is nevertheless subject to further developments.

Accordingly, no assurance is or can be given to investors that any green or social project, as the case may be, towards which proceeds of the Notes are to be applied will meet the investor expectations regarding such "green" or "social" performance objectives (including those set out under the EU Taxonomy Regulation and any related technical screening criteria, the European Green Bond Regulation, SFDR – the Sustainable Finance Disclosure Regulation EU 2019/2088 on sustainability related disclosures in the financial services sector – and any implementing legislation and guidelines, or any similar legislation in the United Kingdom) or that any adverse social, green, sustainable and/or other impacts will not occur during the implementation of any green or social or combination of any green and social project. Further, no assurance can be given that Eligible Loans (as defined in "Use of Proceeds" below) will meet investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels (including in relation to the EU Taxonomy Regulation and any related technical screening criteria, the European Green Bond Regulation, SFDR, and any implementing legislation and guidelines, or any similar legislation in the United Kingdom) or any requirements of such labels as they may evolve from time to time. Any Green Bonds issued under the Programme will not be compliant with the European Green Bond Regulation and are only intended to comply with the requirements and processes in the Issuer's Green, Social and Sustainability Bond Framework. It is not clear if the establishment of the EuGB label and the optional disclosures regime for bonds issued as "environmentally sustainable" under the European Green Bond Regulation could have an impact on investor demand for, and pricing of, green use of proceeds bonds that do not comply with the requirements of the EuGB label or the optional disclosures regime,

such as the Green Bonds issued under this Programme. It could result in reduced liquidity or lower demand or could otherwise affect the market price of any Green Bonds issued under this Programme that do not comply with the standards under the European Green Bond Regulation.

While it is the intention of the Issuers to apply an amount equivalent to the proceeds of Social Bonds, Green Bonds, Climate Bonds or Sustainability Bonds in, or substantially in, the manner described in the applicable Final Terms, there can be no assurance that the green, low carbon, social or combination of any green and social projects (either resulting from the original application of the proceeds of the Notes or a subsequent reallocation of such proceeds), as the case may be, will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly the proceeds of the relevant Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds will be totally or partially disbursed for such projects. Nor can there be any assurance that such green, low carbon, social or combination of any green and social projects will be completed within any specified period or at all or with the results or outcome as originally expected or anticipated by the Issuers, or that the originally designated green, low carbon, social or combination of any green and social project (or any project(s) resulting from any subsequent reallocation of some or all of the proceeds of the relevant Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds) will not be disqualified as such.

The Issuer does not undertake to ensure that there are at any time sufficient Eligible Loans to allow for allocation of an amount equal to the net proceeds of the issue of such Green/Social/Sustainable Bonds in full.

An amount equal to the net proceeds of the issue of any Green/Social/Sustainable Bonds which, from time to time, are not allocated as funding for Eligible Loans is intended by the Issuer to be held pending allocation.

The Issuer's Green, Social and Sustainability Bond Framework may be subject to review and change and may be amended, updated, supplemented, replaced and/or withdrawn from time to time and any subsequent version(s) may differ from any description given in this Base Prospectus. A withdrawal of the Issuer's Green, Social and Sustainability Bond Framework may affect the value of such Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds and/or may have consequences for certain investors with portfolio mandates to invest in green or social or sustainable assets. The Issuer's Green, Social and Sustainability Bond Framework does not form part of, nor is incorporated by reference, in this Base Prospectus.

No assurance of suitability or reliability of any Second Party Opinion or any other opinion or certification of any third party relating to any Green/Social/Sustainable Bonds

Furthermore, it should be noted that in connection with the issue of Green Bonds, Climate Bonds, Social Bonds and Sustainability Bonds, the Issuers may request a sustainability rating agency or sustainability consulting firm to issue a second-party opinion confirming that the relevant green and/or low carbon and/or social and/or combination of any green and social project, as the case may be have been defined in accordance with the broad categorisation of eligibility for green, social and combination of any green and social projects set out in the GBP, the SBP and the SBG and/or a second-party opinion regarding the suitability of the Notes as an investment in connection with certain environmental, sustainability or social projects (any such second-party opinion, a "**Second-party Opinion**").

A Second-party Opinion may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed above and other factors that may affect the value of the Notes or the projects financed or refinanced toward an amount corresponding the net proceeds of the relevant issue of Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds. A Second-party Opinion would not constitute a recommendation to buy, sell or hold the relevant Green Bonds or Climate Bonds or Social Bonds or Sustainability Bonds and would only be current as of the date it is released. The criteria and/or considerations that formed the basis of the Second Party Opinion and any other such opinion or certification may change at any time and the Second Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn. A withdrawal of the Second-party Opinion may affect the value of such Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds and/or may have consequences for certain investors with portfolio mandates to invest in green or social or sustainable assets. No representation or assurance is given as to the suitability or reliability of any Second-party Opinion or certification of any third party made available in connection with an issue of Notes issued as "Green Bonds", "Social Bonds", "Sustainability Bonds" or "Climate Bonds". For the avoidance of doubt, any such Second-party Opinion or certification is not incorporated in this Base Prospectus. Any such Second-party Opinion or certification is not a recommendation by the Issuers, the Arrangers, the

Dealers or any other person to buy, sell or hold any such Notes and is current only as of the date it was issued. As at the date of this Base Prospectus, the providers of any such Second-party Opinion and certifications are not subject to any specific regulatory or other regime or oversight. Prospective investors must determine for themselves the relevance of any such Second-party Opinion or certification and/or the information contained therein.

No assurance that Green/Social/Sustainable Bonds will be admitted to trading on any dedicated "green", "sustainable", "social" (or similar) segment of any stock exchange or market, or that any admission obtained will be maintained

In the event that any such Notes are listed or admitted to trading on a dedicated "green", "sustainable", "social" or other equivalently labelled segment of a stock exchange or securities market, no representation or assurance is given by the Issuers, the Arrangers, the Dealers or any other person that such listing or admission satisfies any present or future investment criteria or guidelines with which such investor is required, or intends, to comply. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. No representation or assurance is given or made by the Issuers, the Arrangers, the Dealers or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or that any such listing or admission to trading will be maintained during the life of the Notes.

No breach of contract or Event of Default

None of a failure by the Issuers to: allocate the proceeds of any Notes issued as Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds or to comply with their reporting obligations; or to obtain any assessment, opinion or certification, including the Second-party Opinion in relation to Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds; or any actual or potential maturity mismatch between the green, social or sustainable asset(s) towards which proceeds of the Notes may have been applied and the relevant Notes; or the failure of the Notes issued as Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds to meet investors' expectations or requirements regarding such "green", "sustainable", "social" or similar labels will: (i) give rise to any claim of a Noteholder against the Issuers; (ii) constitute an Event of Default under the relevant Notes or result in the acceleration of the Notes; (iii) lead to an obligation of the Issuers to redeem such Notes or be a relevant factor for the Issuers in determining whether or not to exercise any optional redemption rights in respect of any Notes; (iv) affect the qualification of such Notes as *strumenti di debito chirografario di secondo livello*, Tier 2 Capital or as eligible liabilities instruments (as applicable) or impact any of the features of such Notes, including (without limitation, as applicable) features relating to ranking, permanence, loss absorption and/or flexibility of payments; (v) have any impact on the status of the Notes as indicated in Condition 4 of the Terms and Conditions of the English Law Notes in Physical Form, Condition 4 of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 4 of the Terms and Conditions of the Dematerialised Notes; or (vi) prevent the applicability of the Irish Bail-in Power, Italian Bail-In Power or Luxembourg Bail-in Power (or any other provision of the Applicable Banking Regulations).

The performance of any Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds is not linked to the performance of the relevant Eligible Projects or the performance of the Issuers in respect of any environmental or similar targets. For the avoidance of doubt, neither the proceeds of any Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds nor any amount equal to such proceeds will be segregated by each Issuer from its capital and other assets and payments of principal and interest and the operation of any other features (as the case may be) on the relevant Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds shall not depend on the performance of the relevant project nor have any preferred or any other right against the green, social or sustainable assets towards which proceeds of the Notes are to be applied.

Regardless of their "green", "social" or "sustainable" or such other equivalent label, Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds, as any other Notes, will be fully subject to the application of CRR eligibility criteria and BRRD requirements for own funds and eligible liabilities instruments (including the application of mandatory write-down or conversion to equity in the event a resolution procedure is initiated in respect of the Group (including the Issuers) and, with respect to Notes qualifying as Tier 2 Capital, even before the commencement of any such procedure if certain conditions are met), the Notes (or the proceeds thereof) will be available to absorb all losses (whether or not related to any green, social or sustainable assets towards which proceeds of the relevant Notes may have been applied or, if relevant, reallocated) in accordance with their terms (if applicable) or the Applicable Banking Regulations and, as such, proceeds from Green

Bonds, Social Bonds or Sustainability Bonds qualifying as own funds or eligible liabilities should cover all losses in the balance sheet of each Issuer. The fact that such Notes are designated as Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds does not provide their holders with any priority compared to other Notes and such Notes will be subject to the same risks relating to their level of subordination and the enforcement rights of the holders of the Notes will be equally extremely limited.

Any event described above or failure to apply the proceeds of the issue of the Notes for any green, social or combination of any green and social projects as aforesaid may have a material adverse effect on the value of the Notes and/or result in adverse consequences for, amongst others, investors with portfolio mandates to invest in securities to be used for a particular purpose. Any failure by the Issuers to comply with their reporting obligations in relation to Green Bonds, Climate Bonds, Social Bonds or Sustainability Bonds, as applicable, will not constitute an Event of Default under the relevant Notes.

ESG Ratings

ESG ratings may vary amongst ESG ratings agencies as the methodologies used to determine ESG ratings may differ. The Issuer's ESG ratings are not necessarily indicative of its current or future operating or financial performance, or any future ability to service the Notes and are only current as of the dates on which they were initially issued. ESG ratings shall not be deemed to be a recommendation to buy, sell or hold the Notes. Currently, the providers of such ESG ratings are not subject to any regulatory or other similar oversight in respect of their determination and award of ESG ratings. Prospective investors must determine for themselves the relevance of any such ESG rating information contained in this Base Prospectus or elsewhere in making an investment decision.

Potential conflicts of interest

Any Calculation Agent appointed under the Programme (whether the Principal Paying Agent or otherwise) is the agent of the Issuers and not the agent of the Noteholders. Potential conflicts of interest may exist between the Calculation Agent (if any) and Noteholders (including where a Dealer acts as a Calculation Agent), including with respect to certain determinations and judgments that such Calculation Agent may make pursuant to the Conditions that may influence amounts receivable by the Noteholders during the term of the Notes and upon their redemption.

The Issuers may appoint a Dealer as Calculation Agent in respect of an issuance of Notes under the Programme. In such a case the Calculation Agent is likely to be a member of an international financial group that is involved, in the ordinary course of its business, in a wide range of banking activities out of which conflicting interests may arise. Whilst such Calculation Agent will, where relevant, have information barriers and procedures in place to manage conflicts of interest, it may in its other banking activities from time to time be engaged in transactions involving an index or related derivatives which may affect amounts receivable by Noteholders during the term and on the maturity of the Notes or the market price, liquidity or value of the Notes and which could be deemed to be adverse to the interests of the Noteholders.

The market continues to develop in relation to risk-free rates (including overnight rates) as reference rates for Floating Rate Notes

The use of risk-free rates **-** including those such as the Sterling Overnight Index Average ("**SONIA**") and the Secured Overnight Financing Rate ("**SOFR**"), the euro short-term rate ("**€STR**") and the daily Swiss Average Rate Overnight ("**SARON**")**,** as reference rates for Eurobonds continues to develop. This relates not only to the substance of the calculation and the development and adoption of market infrastructure for the issuance and trading of bonds referencing such rates, but also how widely such rates and methodologies might be adopted.

The market or a significant part thereof may adopt an application of risk-free rates that differs significantly from that set out in the Conditions and used in relation to Notes that reference risk-free rates issued under this Programme. The Issuers may in the future also issue Notes referencing SONIA, the SONIA Compounded Index, SOFR or the SOFR Compounded Index, €STR or SARON that differ materially in terms of interest determination when compared with any previous Notes issued by it under this Programme. The development of risk-free rates for the Eurobond markets could result in reduced liquidity or increased volatility, or could otherwise affect the market price of any Notes that reference a risk-free rate issued under this Programme from time to time.

In addition, the manner of adoption or application of risk-free rates in the Eurobond markets may differ materially compared with the application and adoption of risk-free rates in other markets, such as the derivatives and loan markets. Investors should carefully consider how any mismatch between the adoption of such reference rates in the bond, loan and derivatives markets may impact any hedging or other financial arrangements which they may put in place in connection with any acquisition, holding or disposal of Notes referencing such risk-free rates.

In particular, investors should be aware that several different methodologies have been used in risk-free rate notes issued to date. No assurance can be given that any particular methodology, including the compounding formula in the terms and conditions of the Notes, will gain widespread market acceptance. In addition, market participants and relevant working groups are still exploring alternative reference rates based on risk-free rates, including various ways to produce term versions of certain risk-free rates (which seek to measure the market's forward expectation of an average of these reference rates over a designated term, as they are overnight rates) or different measures of such risk-free rates. ECB and ESMA are currently looking for an administrator capable of producing a €STR rate term structure (ie. €STR TERM). If the relevant risk-free rates do not prove to be widely used in securities like the Notes, the trading price of such Notes linked to such risk-free rates may be lower than those of Notes referencing indices that are more widely used.

Investors should consider these matters when making their investment decision with respect to any Notes which reference SONIA, SOFR €STR, SARON or any related indices.

Risk-free rates may differ from LIBOR and other interbank offered rates in a number of material respects and have a limited history

Risk-free rates may differ from The London Interbank Offered Rate ("**LIBOR**") and other interbank offered rates in a number of material respects. These include (without limitation) being backwards-looking, in most cases, calculated on a compounded or weighted average basis, risk-free, overnight rates and, in the case of SOFR, secured, whereas such interbank offered rates are generally expressed on the basis of a forward-looking term, are unsecured and include a risk-element based on interbank lending. As such, investors should be aware that risk-free rates may behave materially differently to interbank offered rates as interest reference rates for the Notes. Furthermore, SOFR is a secured rate that represents overnight secured funding transactions, and therefore will perform differently over time to an unsecured rate. For example, since publication of SOFR began on 3 April 2018, daily changes in SOFR have, on occasion, been more volatile than daily changes in comparable benchmarks or other market rates.

Risk-free rates offered as alternatives to interbank offered rates also have a limited history. For that reason, future performance of such rates may be difficult to predict based on their limited historical performance. The level of such rates during the term of the Notes may bear little or no relation to historical levels. Prior observed patterns, if any, in the behaviour of market variables and their relation to such rates such as correlations, may change in the future. Investors should not rely on historical performance data as an indicator of the future performance of such risk-free rates nor should they rely on any hypothetical data.

Furthermore, interest on Notes which reference a backwards-looking risk-free rate is only capable of being determined immediately prior to the relevant Interest Payment Date. It may be difficult for investors in Notes which reference such risk-free rates reliably to estimate the amount of interest which will be payable on such Notes, and some investors may be unable or unwilling to trade such Notes without changes to their IT systems, both of which could adversely impact the liquidity of such Notes. Further, in contrast to Notes linked to interbank offered rates, if Notes referencing backwards-looking rates become due and payable as a result of an Event of Default under Condition 13 (*Events of Default*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 12 (*Events of Default*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 12 (*Events of Default*) of the Terms and Conditions of the Dematerialised Notes, or are otherwise redeemed early on a date which is not an Interest Payment Date, the final Rate of Interest payable in respect of such Notes shall be determined by reference to a shortened period ending immediately prior to the date on which the Notes become due and payable or are scheduled for redemption.

The administrator of SONIA, SOFR, €STR, SARON or any related indices may make changes that could change the value of SONIA, SOFR, €STR, SARON or any related index, or discontinue SONIA, SOFR, €STR, SARON or any related index

The Bank of England, the Federal Reserve or Bank of New York (or their successors), the European Central Bank, SIX Swiss Exchange AG as administrators of SONIA (and the SONIA Compounded Index), SOFR (and the SOFR Compounded Index), €STR or SARON respectively, may make methodological or other changes that could change the value of these risk-free rates and/or indices, including changes related to the method by which such risk-free rate is calculated, eligibility criteria applicable to the transactions used to calculate SONIA, SOFR, €STR, SARON or timing related to the publication of SONIA, SOFR €STR, SARON or any related indices. In addition, the administrator may alter, discontinue or suspend calculation or dissemination of SONIA, SOFR, €STR or SARON or any related index (in which case a fallback method of determining the interest rate on the Notes will apply). The administrator has no obligation to consider the interests of Noteholders when calculating, adjusting, converting, revising or discontinuing any such risk-free rate.

The regulation and reform of "benchmarks" may adversely affect the value of Notes linked to such "benchmarks"

The Euro Interbank Offered Rate ("**EURIBOR**") and other interest rates or other types of rates and indices which are deemed to be benchmarks are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented.

Regulation (EU) No. 2016/1011 (the "**EU Benchmarks Regulation**") applies, subject to certain transitional provisions, to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the EU Regulation (EU) No. 2016/1011 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Benchmarks Regulation**") applies to the provision of benchmarks, the contribution of input data to a benchmark and the use of a benchmark, within the UK. The EU Benchmarks Regulation or the UK Benchmarks Regulation, as applicable, could have a material impact on any Notes linked to EURIBOR or another benchmark rate or index, in particular, if the methodology or other terms of the benchmark are changed in order to comply with the terms of the EU Benchmarks Regulation or UK Benchmarks Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark. More broadly, any of the international, national or other proposals for reform, or the general increased regulatory scrutiny of benchmarks, could increase the costs and risks of administering or otherwise participating in the setting of a benchmark and complying with any such regulations or requirements. Such factors may have the effect of discouraging market participants from continuing to administer or contribute to certain "benchmarks," trigger changes in the rules or methodologies used in certain "benchmarks" or lead to the discontinuance or unavailability of quotes of certain "benchmarks".

As an example of such benchmark reforms, on 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a "risk free overnight rate" which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the euro area. On 13 September 2018, the working group on Euro risk-free rates recommended the new Euro short-term rate ("**€STR**") as the new risk-free rate for the euro area. The €STR was published for the first time on 2 October 2019. Although EURIBOR has subsequently been reformed in order to comply with the terms of the EU Benchmarks Regulation or the UK Benchmarks Regulation, it remains uncertain as to how long it will continue in its current form, or whether it will be further reformed or replaced with €STR or an alternative benchmark.

It is not possible to predict with certainty whether, and to what extent, EURIBOR will continue to be supported going forwards. This may cause EURIBOR to perform differently than it has done in the past and may have other consequences which cannot be predicted. Such factors may have (without limitation) the following effects on certain benchmarks: (i) discouraging market participants from continuing to administer or contribute to a benchmark; (ii) triggering changes in the rules or methodologies used in the benchmark and/or (iii) leading to the disappearance of the benchmark. Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations, could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a benchmark.

The Terms and Conditions of the Notes provide that (other than in respect of Notes for which SOFR is specified as the Reference Rate in the relevant Final Terms), if the relevant Issuer determines that a Benchmark Event (as defined in the Conditions) has occurred (including, but not limited to, a Reference Rate (as defined in the Conditions) ceasing to be provided or upon a material change of a Reference Rate if applicable), the relevant Issuer shall notify the Principal Paying Agent, Calculation Agent and the Noteholders of the occurrence of such Benchmark Event and shall use reasonable endeavours to appoint an Independent Adviser for the purposes of determining a Successor Rate or an Alternative Benchmark Rate (as further described in Condition 7(j) (*Benchmark Replacement*) of the Terms and Conditions of the English Law Notes in Physical Form, in Condition 6(j) (*Benchmark Replacement*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 6(j) (*Benchmark Replacement*) of the Terms and Conditions of the Dematerialised Notes and, if applicable, an Adjustment Spread. Please refer to Condition 2 (*Definitions and Interpretation*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 2 (*Definitions and Interpretation*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 2 (*Definitions and Interpretation*) of the Dematerialised Notes for the full definition of a Benchmark Event.

If the relevant Issuer is unable to appoint an Independent Adviser or if the Independent Adviser and the relevant Issuer cannot agree upon, or cannot select, the Successor Rate or Alternative Benchmark Rate, the relevant Issuer may determine the replacement rate, provided that if the relevant Issuer is unable or unwilling to determine the Successor Rate or Alternative Benchmark Rate, the further fallbacks described in the Terms and Conditions of the Notes shall apply. In certain circumstances, including but not limited to where the relevant Issuer is unable or unwilling to determine an Alternative Benchmark Rate and Alternative Relevant Screen Page, where (if so specified in the relevant Final Terms) amendments to the terms of the Notes in accordance with Condition 7(j) (*Benchmark Replacement*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 6(j) (*Benchmark Replacement*) of the Terms and Conditions of the Italian Law Notes in Physical Form or Condition 6(j) (*Benchmark Replacement*) of the Terms and Conditions of the Dematerialised Notes would cause the occurrence of a Regulatory Event or an MREL Disqualification Event (as applicable) or (in the case of Senior Preferred Notes or Senior Non-Preferred Notes only) would result in the Relevant Authority treating an Interest Payment Date as the effective maturity date of the Notes, rather than the relevant Maturity Date, the ultimate fallback for the purposes of calculation of interest for a particular Interest Period or Reset Period (as applicable) may result in the rate of interest of the last preceding Interest Period or Reset Period (as applicable) being used. This may result in effective application of a fixed rate of interest for Notes initially designated to be Floating Rate Notes or Reset Notes (as applicable). In addition, due to the uncertainty concerning the availability of Successor Rates and Alternative Reference Rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

In addition, in relation to Notes for which SOFR is specified as the Reference Rate in the relevant Final Terms, if the relevant Issuer determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the relevant Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Noteholders, all as described and as such terms are defined in Condition 7(f) (*Interest - Floating Rate Notes referencing SOFR (Screen Rate Determination)*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 6(f) (*Interest – Floating Rate Notes referencing SOFR (Screen Rate Determination)*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 6(f) (*Interest – Floating Rate Notes referencing SOFR (Screen Rate Determination)*) of the Terms and Conditions of the Dematerialised Notes.

The use of a Successor Rate or an Alternative Benchmark Rate may result in interest payments that are substantially lower than or that do not otherwise correlate over time with the payments that could have been made on the Notes if the relevant benchmark remained available in its current form. Furthermore, if the relevant Issuer is unable to appoint an Independent Adviser or if the relevant Issuer fails to agree a Successor Rate or an Alternative Benchmark Rate or adjustment spread, if applicable with the Independent Adviser, the relevant Issuer may have to exercise its discretion to determine (or to elect not to determine) an Alternative Benchmark Rate or adjustment spread, if applicable in a situation in which it is presented with a conflict of interest. In addition, while any Adjustment Spread may be expected to be designed to eliminate or minimise any potential transfer of value between counterparties, the application of the Adjustment Spread to the Notes may not do so

and may result in the Notes performing differently (which may include payment of a lower interest rate) than they would do if the Reference Rate were to continue to apply in its current form.

Investors should consult their own independent advisers and make their own assessment about the potential risks arising from any of the international or national reforms and the possible application of the benchmark replacement provisions of the Notes, investigations and licensing issues in making any investment decision with respect to the Notes linked to or referencing such a "benchmark".

Redemption for tax or regulatory reasons

The redemption for tax or regulatory reason feature is likely to limit the market value of the Notes, as during any period when the Issuer may, or is perceived to be able to, elect to redeem the Notes, the market value of the Notes generally will not rise substantially above the price at which they can be redeemed.

In the event that the Issuer would be obliged to pay additional amounts in respect of any Notes due to any withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of Italy or Australia or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may redeem all outstanding Notes in accordance with the Conditions.

In addition, the Issuer may, at its option (if so specified in the relevant Final Terms), redeem the Notes for regulatory reasons, as described in further detail in "*Regulatory classification of Subordinated Notes – The Subordinated Notes may be redeemed after a Regulatory Event* " below. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the relevant Notes and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in the light of other investments available at that time.

If the Issuer has the right to redeem any Notes at its option, this may limit the market value of the Notes concerned and an investor may not be able to reinvest the redemption proceeds in a manner which achieves a similar effective return.

An optional redemption feature of Notes is likely to limit their market value. During any period when the relevant Issuer may elect to redeem Notes or is perceived to be able to redeem the Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period. The relevant Issuer may redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Inflation-Linked Notes are subject to a number of specific risks due to their link to an underlying index.

There are specific risks associated with Inflation-Linked Notes, which are set out below. **Furthermore, investors are warned that they may lose some, part of or all of their entire investment**. Each Issuer may issue Notes with principal and/or interest determined by reference to an index or formula or to changes in the prices of securities or commodities (each a "**relevant factor**"). In addition, each Issuer may issue Notes with principal or interest payable in one or more currencies which may be different from the currency in which the Notes are denominated. Potential investors should be aware of the following particular risks:

- the market price of such Notes may be volatile;
- they may receive no interest;
- payment of principal or interest may occur at a different time;
- the relevant factors may be subject to significant fluctuations that may not correlate with changes in interest rates, currencies or other indices;

- if a relevant factor is applied to the Notes in conjunction with a multiplier greater than one or contains any other leverage factor, the effect of changes in the relevant factor on principal or interest payable is likely to be magnified; and

- the timing of changes in a relevant factor may affect the actual yield to investors, even if the average level is consistent with their expectations.

The historical experience of an index or other relevant factor should not be viewed as an indication of the future performance of such relevant factor during the term of any Notes. Accordingly, each potential investor should consult its own financial and legal advisers about the risk entailed by an investment in any Notes linked to a relevant factor and the suitability of such Notes in light of its particular circumstances.

Inverse Floating Rate Notes will have more volatile market values than conventional Floating Rate Notes

Inverse Floating Rate Notes have an interest rate equal to a fixed rate minus a rate based upon a reference rate such as EURIBOR. The market values of those Notes typically are more volatile than market values of other conventional floating rate debt securities based on the same reference rate (and with otherwise comparable terms). Inverse Floating Rate Notes are more volatile because an increase in the reference rate not only decreases the interest rate of the Notes, but may also reflect an increase in prevailing interest rates, which further adversely affects the market value of these Notes.

If the Issuer has the right to convert the interest rate on any Notes from a fixed rate to a floating rate, or vice versa, this may affect the secondary market and the market value of the Notes concerned.

Fixed/Floating Rate Notes may bear interest at a rate that the relevant Issuer may elect to convert from a fixed rate to a floating rate, or from a floating rate to a fixed rate. That Issuer's ability to convert the interest rate will affect the secondary market and the market value of the Notes since that Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If that Issuer converts from a fixed rate to a floating rate, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If that Issuer converts from a floating rate to a fixed rate, the fixed rate may be lower than then prevailing rates on its Notes.

To the extent that Multiplier or Reference Rate Multiplier applies in respect of the determination of the Rate of Interest for the Floating Rate Notes, investors should be aware that any fluctuation of the underlying floating rate will be amplified by such multiplier. Where the Multiplier is less than 1, this may adversely affect the return on the Floating Rate Notes.

Notes which are issued at a substantial discount or premium may experience price volatility in response to changes in market interest rates.

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

The interest rate on Reset Notes will reset on each Reset Date, which can be expected to affect the interest payment on an investment in Reset Notes and could affect the market value of the Reset Notes.

Reset Notes will initially bear interest at the Initial Rate of Interest from and including the Interest Commencement Date up to but excluding the First Reset Date. On the First Reset Date, the Second Reset Date (if applicable) and each Subsequent Reset Date (if any) thereafter, the interest rate will be reset to the sum of the applicable Mid-Swap Rate or any other market reference rate and the First Margin or Subsequent Margin (as applicable) as determined by the Calculation Agent on the relevant Reset Determination Date (each such interest rate, a "**Subsequent Reset Rate of Interest**"). The Subsequent Reset Rate of Interest for any Reset Period could be less than the Initial Rate of Interest or the Subsequent Reset Rate of Interest for prior Reset Periods and could affect the market value of an investment in the Reset Notes.

Risks relating to Senior Preferred Notes

Senior Preferred Notes could be subject to redemption following a MREL Disqualification Event

If so specified in the Final Terms, if at any time an MREL Disqualification Event occurs and is continuing in relation to any Series of Senior Preferred Notes, the Issuer may redeem all, but not some only, the Notes of such Series at the Early Redemption Amount set out in the applicable Final Terms, together with any outstanding interest. Senior Preferred Notes may only be redeemed by the Issuer subject to compliance by the Issuer with any conditions or restrictions to such redemption or repurchase prescribed by the Applicable Banking Regulations at the relevant time. See "*—Early redemption and purchase of the Senior Preferred Notes may be restricted*", below.

An MREL Disqualification Event shall be deemed to have occurred if, by reason of the introduction of, or a change in, the MREL Requirements, which was not reasonably foreseeable by the Issuer at the Issue Date of the Senior Preferred Notes, all or part of the aggregate outstanding nominal amount of such Series of Senior Preferred Notes are or will be excluded fully or partially from the liabilities that are eligible to meet the MREL Requirements.

If the Senior Preferred Notes are to be so redeemed, there can be no assurance that Noteholders will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investment in the Senior Preferred Notes.

Early redemption and purchase of the Senior Preferred Notes may be restricted

Any early redemption or purchase of Senior Preferred Notes is subject to compliance by the Issuer with any conditions or restrictions to such redemption or repurchase prescribed by the Applicable Banking Regulations at the relevant time, including any requirements applicable to such redemption or repurchase due to the qualification of such Senior Preferred Notes at such time as liabilities eligible to meet the MREL Requirements.

In addition, under the EU Banking Reform, the early redemption or purchase of Senior Preferred Notes is subject to the prior approval of the Relevant Authority.

The EU Banking Reform states that the Relevant Authority would approve an early redemption of the Senior Preferred Notes in accordance with Article 78a of the CRR in the event either of the following conditions is met:

(a) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Senior Preferred Notes with Own Funds Instruments or Eligible Liabilities Instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(b) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds and Eligible Liabilities would, following such call, redemption, repayment or repurchase, exceed the requirements for Own Funds and Eligible Liabilities laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; or

(c) the Issuer has demonstrated to the satisfaction of the Relevant Authority that the partial or full replacement of the Eligible Liabilities with Own Funds Instruments is necessary to ensure compliance with the Own Funds requirements laid down in the Applicable Banking Regulations for continuing authorization,

(d) subject in any event to any different conditions or requirements as may be provided from time to time under the Applicable Banking Regulations.

See "*—Risk factors related to the Issuers —Changes in regulatory framework*".

Senior Preferred Notes may be subject to substitution and/or modification without the Noteholder consent

With respect to English Law Notes in Physical Form, if at any time an MREL Disqualification Event occurs and is continuing in relation to any Senior Preferred Notes and/or in order to ensure the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of

the English Law Notes in Physical Form with respect to Senior Preferred Notes issued by Intesa Sanpaolo, or Condition 24 (*Acknowledgment of the Irish Bail-in Power*) of the Terms and Conditions of the English Law Notes in Physical Form with respect to Senior Preferred Notes issued by INSPIRE, or Condition 25 (*Acknowledgment of the Luxembourg Bail-in Power*) of the Terms and Conditions of the English Law Notes in Physical Form with respect to Senior Preferred Notes issued by Intesa Luxembourg, then the relevant Issuer may, subject to giving any notice required to be given to, and receiving consent from, the Relevant Authority (without any requirement for the consent or approval of the holders of the Senior Preferred Notes of that Series), at any time either substitute all (but not some only) of such Senior Preferred Notes, or vary the terms of such Senior Preferred Notes so that they remain or, as appropriate, become, Qualifying Senior Preferred Notes (as defined below), *provided that* such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted securities.

With respect to Italian Law Notes in Physical Form and the Dematerialised Notes, if at any time an MREL Disqualification Event occurs and is continuing in relation to any Senior Preferred Notes and/or in order to ensure the effectiveness and enforceability of Condition 21 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 20 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the Dematerialised Notes with respect to Senior Preferred Notes issued by Intesa Sanpaolo, then the relevant Issuer may, subject to giving any notice required to be given to, and receiving any consent required from, the Relevant Authority (without any requirement for the consent or approval of the holders of the Senior Preferred Notes of that Series), at any time vary the terms of such Senior Preferred Notes so that they remain or, as appropriate, become, Qualifying Senior Preferred Notes (as defined below), provided that such variation does not itself give rise to any right of the Issuer to redeem the varied securities.

Qualifying Senior Preferred Notes are securities issued by the Issuer that have terms not materially less favourable to the Noteholders, as reasonably determined by the Issuer, than the terms of the relevant Senior Preferred Notes. However, no assurance can be given as to whether any of these changes will negatively affect any particular Noteholder. However, in respect of the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 21 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 20 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the Dematerialised Notes with respect to Senior Preferred Notes issued by Intesa Sanpaolo, or Condition 24 (*Acknowledgment of the Irish Bail-in Power*) of the Terms and Conditions of the English Law Notes in Physical Form with respect to Senior Preferred Notes issued by INSPIRE, or Condition 25 (*Acknowledgment of the Luxembourg Bail-in Power*) of the Terms and Conditions of the English Law Notes in Physical Form with respect to Senior Preferred Notes issued by Intesa Luxembourg, the Qualifying Senior Preferred Notes may have terms materially less favourable to a holder of the Senior Preferred Notes, including but not limited to a change in governing law and/or to the jurisdiction and service of process provisions. Additionally, there may be material tax consequences for holders of Senior Preferred Notes as a result of such substitution or modification, and holders should consult their own tax advisors regarding such potential consequences.

Risks relating to Senior Non-Preferred Notes

The Senior Non-Preferred Notes are senior non-preferred obligations and are junior to certain obligations

In order to be eligible to meet the requirements and conditions of Articles 12-*bis* and 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Act and any relevant implementing regulation which may be enacted for such purposes by any Relevant Authority and qualify as eligible liabilities available to meet the MREL Requirements (as defined in the Conditions), Senior Non-Preferred Notes will rank junior to Senior Preferred Notes and any other unsecured and unsubordinated obligations of the Issuer which rank, or are expressed to rank by their terms, senior to the Senior Non-Preferred Notes. As a result, the default risk on the Senior Non-Preferred Notes will be higher than the risk associated with preferred senior debt (such as Senior Preferred Notes) and other senior liabilities (such as wholesale deposits).

Although Senior Non-Preferred Notes may pay a higher rate of interest than comparable Senior Preferred Notes which are not issued on a senior non-preferred basis, there is a greater risk that an investor in Senior Non-Preferred Notes will lose all or some of its investment should the Issuer become insolvent.

Italian law applicable to the Senior Non-Preferred Notes was recently enacted

On 1 January 2018, the Italian law No. 205 of 27 December 2017 (the "**2018 Budget Law**") came into force introducing certain amendments to the Legislative Decree No. 385 of 1 September 1993 (the "**Consolidated Banking Act**"), including the possibility for banks and companies belonging to banking groups to issue senior non-preferred securities (the so-called "*strumenti di debito chirografario di secondo livello*").

In particular, the 2018 Budget Law set forth certain requirements for notes to qualify as senior non-preferred securities:

(i) the original maturity period is at least equal to twelve months;

(ii) are not derivative securities or linked to derivative securities, nor include any feature of such derivative securities;

(iii) the minimum denomination is at least equal to €150,000 (or such other minimum denomination provided by applicable law from time to time); and

(iv) the prospectus and the agreements regulating the issuance of senior non-preferred securities expressly provide that payment of interests and reimbursement of principal due in respect thereof are subject to the provisions set forth in of Article 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Act.

According to Article 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Act, in case an issuer of senior non-preferred securities is subject to compulsory liquidation (*liquidazione coatta amministrativa*) or voluntary liquidation (*liquidazione volontaria*), the relevant payment obligations in respect thereof will rank in right of payment (A) after unsubordinated creditors (including depositors), including claims arising from the excluded liabilities within the meaning of Article 72a(2) of the CRR, (B) at least *pari passu* with all other present and future unsubordinated and non-preferred obligations which do not rank or are not expressed by their terms to rank junior or senior to such senior non-preferred securities and (C) in priority to any present or future claims ranking junior to such senior non-preferred securities and the claims of the shareholders.

Furthermore, Article 12-*bis* of the Consolidated Banking Act also provides that:

(i) the provisions set forth in Article 91, paragraph 1-*bis*, letter c-*bis* of the Consolidated Banking Act shall apply to such senior non-preferred securities only to the extent that the requirements described in paragraphs (i), (ii) and (iv) above have been complied with; any contractual provision which does not comply with any of the above requirements is invalid but such invalidity does not imply the invalidity of the entire agreement;

(ii) the senior non-preferred securities, once issued, may not be amended in a manner that the requirements described in paragraphs (i), (ii) and (iv) above are not complied with and that any different contractual provision is null and void; and

(iii) the Bank of Italy may enact further regulation providing for additional requirements in respect of the issuance and the characteristics of senior non-preferred securities.

Any prospective investor in the Senior Non-Preferred Notes should be aware that the provisions of Articles 12-*bis* and 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Act was recently enacted and that, as at the date of this Base Prospectus, no interpretation of the application of such provisions has been issued by any Italian court or governmental or regulatory authority and no regulation has been issued by the Bank of Italy in respect thereof. Consequently, it is possible that any regulation or official interpretation relating to the above will be issued in the future by the Bank of Italy or any different authority, the impact of which cannot be predicted by the Issuers as at the date of this Base Prospectus.

The Senior Non-Preferred Notes are complex instruments that may not be suitable for certain investors

Senior Non-Preferred Notes are novel and complex financial instruments and may not be a suitable investment for certain investors. Each potential investor in the Senior Non- Preferred Notes should determine the suitability of such investment in light of its own circumstances and have sufficient financial resources and liquidity to bear the risks of an investment in the Senior Non-Preferred Notes, including the possibility that the entire

principal amount of the Senior Non-Preferred Notes could be lost. A potential investor should not invest in the Senior Non-Preferred Notes unless it has the knowledge and expertise (either alone or with a financial advisor) to evaluate how the Senior Non-Preferred Notes will perform under changing conditions, the resulting effects on the market value of the Senior Non-Preferred Notes, and the impact of this investment on the potential investor's overall investment portfolio.

Senior Non-Preferred Notes are new types of instruments for which there is no trading history

Prior to the adoption of the so-called *Legge di Bilancio 2018* and its entry into force, Italian issuers were not able to issue senior non-preferred securities. Accordingly, there is no trading history for securities with this ranking. Market participants, including credit rating agencies, are in the initial stages of evaluating the risks associated with senior non-preferred obligations. The credit ratings assigned to senior non-preferred securities such as the Senior Non-Preferred Notes may change as the rating agencies refine their approaches, and the value of such securities may be particularly volatile as the market becomes more familiar with them. It is possible that, over time, the credit ratings and value of senior non-preferred securities such as the Senior Non-Preferred Notes will be lower than those expected by investors at the time of issuance of the Senior Non-Preferred Notes. If so, investors may incur losses in respect of their investments in the Senior Non-Preferred Notes.

Qualification of Senior Non-Preferred Notes as "strumenti di debito chirografario di secondo livello"

The intention of the Issuer is for Senior Non-Preferred Notes to qualify on issue as "*strumenti di debito chirografario di secondo livello*" as defined under, and for the purposes of, Articles 12-*bis* and 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Act and any relevant implementing regulation which may be enacted for such purposes by any Relevant Authority and qualify as eligible liabilities available to meet the MREL Requirements (as defined in the Conditions). Current regulatory practice by the Bank of Italy (acting as lead regulator) does not require (or customarily provide) a confirmation prior to the issuance of the Senior Non-Preferred Notes that the Senior Non-Preferred Notes will comply with such provisions.

Although it is Issuer's expectation that the Senior Non-Preferred Notes qualify as "*strumenti di debito chirografario di secondo livello*" as defined under, and for the purposes of, Articles 12-*bis* and 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Act and any relevant implementing regulation which may be enacted for such purposes by any Relevant Authority and qualify as eligible liabilities available to meet the MREL Requirements (as defined in the Conditions) there can be no representation that this is or will remain the case during the life of the Senior Non-Preferred Notes.

Senior Non-Preferred Notes could be subject to redemption following an MREL Disqualification Event

If so specified in the Final Terms, if at any time an MREL Disqualification Event occurs and is continuing in relation to any Series of Senior Non-Preferred Notes, the Issuer may redeem all, but not some only, the Notes of such Series at the Early Redemption Amount set out in the applicable Final Terms, together with any outstanding interest. Senior Non-Preferred Notes may only be redeemed by the Issuer subject to compliance by the Issuer with any conditions or restrictions to such redemption or repurchase prescribed by the Applicable Banking Regulations at the relevant time. See "*—Early redemption and purchase of the Senior Non-Preferred Notes may be restricted*" below.

An MREL Disqualification Event shall be deemed to have occurred if, by reason of the introduction of, or a change in, the MREL Requirements, which was not reasonably foreseeable by the Issuer at the Issue Date of the Senior Non-Preferred Notes, all or part of the aggregate outstanding nominal amount of such Series of Senior Non-Preferred Notes are or will be excluded fully or partially from the liabilities that are eligible to meet the MREL Requirements.

If the Senior Non-Preferred Notes are to be so redeemed, there can be no assurance that Noteholders will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investment in the Senior Non-Preferred Notes.

Early redemption and purchase of the Senior Non-Preferred Notes may be restricted

Any early redemption or purchase of Senior Non-Preferred Notes is subject to compliance by the Issuer with any conditions or restrictions to such redemption or repurchase prescribed by the Applicable Banking

Regulations at the relevant time, including any requirements applicable to such redemption or repurchase due to the qualification of such Senior Non-Preferred Notes at such time as liabilities eligible to meet the MREL Requirements.

In addition, under the EU Banking Reform, the early redemption or purchase of Senior Non-Preferred Notes is subject to the prior approval of the Relevant Authority.

The EU Banking Reform states that the Relevant Authority would approve an early redemption of the Senior Non-Preferred Notes in accordance with Article 78a of the CRR in the event either of the following conditions is met:

(a) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Senior Non-Preferred Notes with Own Funds Instruments or Eligible Liabilities Instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(b) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds and Eligible Liabilities would, following such call, redemption, repayment or repurchase, exceed the requirements for Own Funds and Eligible Liabilities laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; or

(c) the Issuer has demonstrated to the satisfaction of the Relevant Authority that the partial or full replacement of the Eligible Liabilities with Own Funds Instruments is necessary to ensure compliance with the Own Funds requirements laid down in the Applicable Banking Regulations for continuing authorization,

(d) subject in any event to any different conditions or requirements as may be provided from time to time under the Applicable Banking Regulations.

See "*—Risk factors related to the Issuers —Changes in regulatory framework*".

Senior Non-Preferred Notes may be subject to substitution and modification without the Noteholder consent

If at any time an MREL Disqualification Event or an Alignment Event occurs and is continuing in relation to any Senior Non-Preferred Notes and/or in order to ensure the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 21 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 20 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the Dematerialised Notes, then the Issuer may, subject to giving any notice required to be given to, and receiving consent from, the Relevant Authority (without any requirement for the consent or approval of the holders of the Senior Non-Preferred Notes of that Series), at any time (i) in the case of English Law Notes in Physical Form, either substitute all (but not some only) of such Senior Non-Preferred Notes, or vary the terms of such Senior Non-Preferred Notes so that they remain or, as appropriate, become, Qualifying Senior Non-Preferred Notes (as defined below), or (ii) in the case of Italian Law Notes in Physical Form, vary the terms of such Senior Non-Preferred Notes so that they remain or, as appropriate, become, Qualifying Senior Non-Preferred Notes (as defined below), *provided that* such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted securities.

Qualifying Senior Non-Preferred Notes are securities issued by the Issuer that have terms not materially less favourable to the Noteholders, as reasonably determined by the Issuer, than the terms of the relevant Senior Non-Preferred Notes. However, no assurance can be given as to whether any of these changes will negatively affect any particular Noteholder. However, in respect of the effectiveness and enforceability of Condition 23 (*Acknowledgement of the Italian Bail-in Power*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 21 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 20 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the Dematerialised Notes, the Qualifying Senior Non-Preferred Notes may have terms materially less favourable to a holder of the Senior Non-Preferred Notes, including but not limited to a change in governing law and/or to the jurisdiction and service of process provisions. Additionally, there may be material tax consequences for holders of Senior Non-Preferred Notes as a result of such substitution or modification, and holders should consult their own tax advisors regarding such potential consequences.

Risks related to Subordinated Notes

Subordinated Notes are subordinated obligations

If Intesa Sanpaolo is declared insolvent and a winding up is initiated or in the event that the Issuer becomes subject to an order for *Liquidazione Coatta Amministrativa*, as defined in the Consolidated Banking Act, it will be required to pay the holders of senior debt and meet its obligations to all its other creditors (including unsecured creditors) in full before it can make any payments on Subordinated Notes. If this occurs, Intesa Sanpaolo may not have enough assets remaining after these payments to pay amounts due under such Notes.

Furthermore, the BRRD provides for a Member State as a last resort, after having assessed and applied the resolution tools (including the general bail-in tool) to the maximum extent practicable whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. These consist of the public equity support and temporary public ownership tools. Any such extraordinary financial support must be provided in accordance with the burden sharing requirements of the EU state aid framework and the BRRD. As an exemption from these principles, the BRRD allows for three kinds of extraordinary public support to be provided to a solvent institution without triggering resolution: 1) a State guarantee to back liquidity facilities provided by central banks according to the central banks' conditions; 2) a State guarantee of newly issued liabilities; or 3) an injection of own funds in the form of precautionary recapitalisation. In the case of precautionary recapitalisation EU state aid rules require that shareholders and junior bond holders (such as holders of the Subordinated Notes) contribute to the costs of restructuring.

As a result, Subordinated Notes may be subject to a partial or full write-down or conversion to Common Equity Tier 1 instruments of the Issuer or one of the Group's entities or another institution. Accordingly, trading behaviour may also be affected by the threat that non-viability loss absorption (or the general bail-in tool) may be applied to Subordinated Notes or the burden sharing requirements of the EU state aid framework and the BRRD may be applied and, as a result, Subordinated Notes are not necessarily expected to follow the trading behaviour associated with other types of securities. Noteholders should consider the risk that they may lose all of their investment, including the principal amount plus any accrued interest if the non-viability loss absorption (or the general bail-in tool) is applied to the Subordinated Notes or the burden sharing requirements of the EU state aid framework and the BRRD are applied or that such Subordinated Notes may be converted into ordinary shares which ordinary shares may be of little value at the time of conversion.

Italian Legislative Decree No. 193 of 8 November 2021 implementing BRRD II in Italy and published on 30 November 2021 in the *Gazzetta Ufficiale* has transposed the Italian legislation Article 48(7) of BRRD II under Article 91, paragraph 1-*bis*), letter c-*ter*) of the Consolidated Banking Act. Such provisions states that (i) if an instrument is only partly recognised as an own funds item, the whole instrument shall be treated in insolvency as a claim resulting from an own funds item and shall rank lower than any claim that does not result from an own funds item and (ii) if an instrument is fully disqualified as own funds item, it would cease to be treated as a claim resulting from an own funds item in insolvency and, consequently, would improve their ranking with respect to any claim that results from an own funds item (such as the Subordinated Notes). In light of this new provision, if certain Tier 2 Instruments of the Issuer were to be disqualified in full as own funds items in the future, their ranking would improve *vis-à-vis* the rest of the Tier 2 Instruments and, in the event of a liquidation or bankruptcy of the Issuer, the Issuer would, *inter alia*, be required to pay subordinated creditors of the Issuer, whose claims arise from liabilities that no longer fully or partially are recognised as an own funds instrument, in full before it can make any payments on the Subordinated Notes.

For a full description of the provisions relating to Subordinated Notes, see Condition 4(c) (*Status – Subordinated Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 4(c) (*Status – Subordinated Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 4(c) (*Status – Subordinated Notes issued by Intesa Sanpaolo*) of the Terms and Conditions of the Dematerialised Notes.

Subordinated Notes may be subject to loss absorption on any application of the general bail-in-tool or at the point of non-viability of the Issuer

Investors should be aware that, in addition to the general bail-in tool, the BRRD contemplates that Subordinated Notes may be subject to a write-down or conversion into common shares at the point of non-viability. The BRRD is intended to enable a range of actions to be taken in relation to credit institutions and investment firms

considered to be at risk of failing. The implementation of the BRRD or the taking of any action under it could materially affect the value of any Subordinated Notes. Additionally, there may be material tax consequences for holders of Subordinated Notes as a result of such write-down or conversion, and holders should consult their own tax advisors regarding such potential consequences.

Regulatory classification of Subordinated Notes – The Subordinated Notes may be redeemed after a Regulatory Event

The intention of the Intesa Sanpaolo is for Subordinated Notes to qualify on issue as "Tier 2 Capital", for regulatory capital purposes.

Although it is Intesa Sanpaolo's expectation that the Notes qualify as "Tier 2 Capital", there can be no representation that this is or will remain the case during the life of the Notes or that the Notes will be grandfathered under the implementation of future EU capital requirement regulations. If the Notes are not grandfathered, or for any other reason cease to qualify, as "Tier 2 Capital", Intesa Sanpaolo will (if so specified in the applicable Final Terms) have the right to redeem the Notes in accordance with Condition 10(f) (*Redemption of Subordinated Notes for regulatory reasons (Regulatory Call*)) of the English Law Notes in Physical Form, Condition 9(f) (*Redemption of Subordinated Notes for regulatory reasons (Regulatory Call*)) of the Italian Law Notes in Physical Form and Condition 9(f) (*Redemption of Subordinated Notes for regulatory reasons (Regulatory Call)*) of the Terms and Conditions of the Dematerialised Notes, subject to the prior approval of the Relevant Authority. There can be no assurance that holders of such Notes will be able to reinvest the amounts received upon redemption at a rate that will provide the same rate of return as their investments in the relevant Notes, as the case may be, see "*Early Redemption of the Subordinated Notes may be restricted" below*.

Early Redemption of the Subordinated Notes may be restricted

The rules under the CRR prescribe certain conditions for the granting of permission by the Relevant Authority to a request by the Issuer to redeem or repurchase the Subordinated Notes. In this respect, the CRR provides that the Relevant Authority shall grant permission to a redemption or repurchase of the Subordinated Notes (in each case, subject to and in accordance with, the Applicable Banking Regulations, including Articles 77 and 78 of the CRR, as amended or replaced from time to time) provided that either of the following conditions is met, as applicable to the Notes:

(i) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(ii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds would, following such call, redemption, repayment or repurchase, exceed the capital requirements laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary.

In addition, the rules under the CRR provide that the Relevant Authority may only permit the Issuer to redeem the Subordinated Notes before five years after the Issue Date of the Notes if and to the extent required under Article 78(4) of the CRR or the related implementing regulations, policies and guidelines:

(i) the conditions listed in paragraphs (i) or (ii) above are met; and

(ii) in the case of redemption pursuant to Condition 10(b) (*Redemption for tax reasons*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 9(b) (*Redemption for tax reasons*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 10(b) (*Redemption for tax reasons*) of the Terms and Conditions of the Dematerialised Notes, the Issuer has demonstrated to the satisfaction of the Relevant Authority that the change in the applicable tax treatment of the Notes is material and was not reasonably foreseeable as of the Issue Date; or

(iii) in case of redemption pursuant to Condition 10(f) (*Redemption of Subordinated Notes for regulatory reasons (Regulatory Call*)) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 9(f) (*Redemption of Subordinated Notes for regulatory reasons (Regulatory Call*)) of the Terms and Conditions of the Italian Law Notes in Physical Form) and Condition 9(f) (*Redemption of Subordinated Notes for regulatory reasons (Regulatory Call)*) of the Terms and Conditions of the

Dematerialised Notes), the Issuer has demonstrated to the satisfaction of the Relevant Authority that the change in the regulatory classification of the Notes was not reasonably foreseeable as of the Issue Date; or

(iv) on or before the relevant call, redemption, repayment or repurchase, the Issuer replaces the Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for its income capacity and the Relevant Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or

(v) the Subordinated Notes are repurchased for market making purposes,

(vi) subject in any event to any different conditions or requirements as may be provided from time to time under the Applicable Banking Regulations.

Subordinated Notes may be subject to substitution and modification without Noteholder consent

If at any time a Tax Event, an Alignment Event or a Regulatory Event occurs and/or in order to ensure the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 21 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 20 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the Dematerialised Notes, then the Issuer may, subject to giving any notice required to, and receiving consent from, the Relevant Authority (without any requirement for the consent or approval of the holders of Subordinated Notes of that Series), elect (i) in the case of English Law Notes in Physical Form, either to substitute all (but not only some) of the Subordinated Notes or modify the terms of all (but not only some) of such Subordinated Notes so that they become or remain Qualifying Subordinated Securities or (ii) in the case of Italian Law Notes in Physical Form, modify the terms of all (but not only some) of such Subordinated Notes so that they become or remain Qualifying Subordinated Securities, *provided that* such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted securities. The Relevant Authority has discretion as to whether or not it will approve any substitution or variation of the Subordinated Notes. Any such substitution or variation which is considered by the Relevant Authority to be material shall be treated by it as the issuance of a new instrument. Therefore, the Subordinated Notes, as so substituted or varied, must be eligible as Tier 2 Capital in accordance with then prevailing Applicable Banking Regulations, which may include a requirement that (save in certain prescribed circumstances) the Subordinated Notes may not be redeemed or repurchased prior to five years after the effective date of such substitution or variation.

Qualifying Subordinated Securities are securities issued directly by the Issuer that have terms not materially less favourable to the Noteholders, as reasonably determined by the Issuer, than the terms of the relevant Subordinated Notes. However, no assurance can be given as to whether any of these changes will negatively affect any particular Noteholder. However, in respect of the effectiveness and enforceability of Condition 23 (*Acknowledgement of the Italian Bail-in Power*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 21 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 20 (*Acknowledgment of the Italian Bail-in Power*) of the Terms and Conditions of the Dematerialised Notes, the Qualifying Subordinated Securities (as defined below) may have terms materially less favourable to a holder of the Subordinated Notes, including but not limited to a change in governing law and/or to the jurisdiction and service of process provisions. Additionally, there may be material tax consequences for holders of Subordinated Notes as a result of such substitution or modification, and holders should consult their own tax advisors regarding such potential consequences.

Risks relating to Singapore taxation

Notes to be issued from time to time under the Programme in Singapore dollars, during the period from the date of this Base Prospectus to 31 December 2028, are intended to be "qualifying debt securities" for the purposes of the Income Tax Act 1947 of Singapore, as amended or modified from time to time (the "**ITA**"), subject to the fulfilment of certain conditions as further described under "**Taxation in Singapore**".

However, there is no assurance that such Notes will continue to enjoy the tax concessions in connection therewith under the ITA should the relevant tax laws be amended or revoked at any time, which amendment or revocation may be prospective or retroactive.

Risks relating to the tax treatment of bail-in-able Notes under Australian law

The Australian tax treatment of bail-in-able notes issued by Australian branches of foreign banks has come under review. The Australian Tax Office ("**ATO**") has recently issued industry guidance indicating that its view is that such notes are not able to satisfy the requirements to be characterised as debt for Australian tax purposes. Notwithstanding this view, the ATO has indicated that it is currently consulting with the government to obtain clarification on the intended policy outcome, with the aim of the government introducing a legislative clarification, preserving the debt treatment of such notes. The ATO is not intending to apply compliance resources to disturb the debt treatment of such notes under Income Tax Assessment Act 1997 (Australia) until policy clarification has been obtained. If the Notes issued by the Issuer acting through its Sydney Branch are classified as equity instead of debt, the interest on such Notes will be non-deductible to the Australian branch for Australian tax purposes. In addition, for any such Notes issued to or held by foreign investors, those investors would lose the benefit of any exemption from Australian taxes and may be required to file and pay Australian taxes on interest received on the Notes. Notes issued into the Australian market that are attributable to an offshore branch should not be affected.

Risks relating to Renminbi-denominated Notes

A description of risks which may be relevant to an investor in Notes denominated in Renminbi ("**Renminbi Notes**") is set out below.

Renminbi is not completely freely convertible and there are regulations on the remittance of Renminbi into and out of the PRC which may adversely affect the liquidity of Renminbi Notes

Renminbi is not completely freely convertible at present. The government of the PRC (the "**PRC Government**") continues to regulate conversion between Renminbi and foreign currencies, including the Hong Kong dollar.

However, there has been significant reduction in regulation by the PRC Government in recent years, particularly over trade transactions involving import and export of goods and services as well as other frequent routine foreign exchange transactions. These transactions are known as current account items. On the other hand, remittance of Renminbi into and out of the PRC for the settlement of capital account items, such as capital contributions, debt financing and securities investment, is generally only permitted upon obtaining specific approvals from, or completing specific registrations or filings with, the relevant authorities on a case-by-case basis and is subject to a strict monitoring system. Regulations in the PRC on the remittance of Renminbi into and out of the PRC for settlement of capital account items are being adjusted from time to time to match the policies of the PRC Government.

Although the People's Bank of China ("**PBoC**") has implemented policies improving accessibility to Renminbi to settle cross-border transactions in the past, there is no assurance that the PRC Government will liberalise cross-border remittance of Renminbi in the future, that the schemes for Renminbi cross-border utilisation will not be discontinued or that new regulations in the PRC will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or out of the PRC. Despite Renminbi internationalisation pilot programme and efforts in recent years to internationalise the currency, there can be no assurance that the PRC Government will not impose interim or long-term restrictions on the cross-border remittance of Renminbi. In the event that funds cannot be repatriated out of the PRC in Renminbi, this may affect the overall availability of Renminbi outside the PRC and the ability of the Issuer (or the Guarantor) to source Renminbi to finance its obligations under Notes denominated in Renminbi.

There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Renminbi Notes and the relevant Issuer (or the Guarantor's) ability to source Renminbi outside the PRC to service Renminbi Notes

As a result of the regulations on cross-border Renminbi fund flows, the availability of Renminbi outside the PRC is limited. While the PBoC has entered into agreements (the "**Settlement Arrangements**") on the clearing of Renminbi business with financial institutions (the "**Renminbi Clearing Banks**") in a number of financial centres and cities, including but not limited to Hong Kong, has established the Cross-Border Interbank Payments System (CIPS) to facilitate cross-border Renminbi settlement and is further in the process of establishing Renminbi clearing and settlement mechanisms in several other jurisdictions, the current size of Renminbi denominated financial assets outside the PRC is limited.

There are regulations imposed by PBoC on Renminbi business participating banks in respect of cross-border Renminbi settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, Renminbi business participating banks do not have direct Renminbi liquidity support from PBoC, although PBoC has gradually allowed participating banks to access the PRC's onshore interbank market for the purchase and sale of Renminbi. The Renminbi Clearing Banks only have limited access to onshore liquidity support from PBoC for the purpose of squaring open positions of participating banks for limited types of transactions and are not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In cases where the participating banks cannot source sufficient Renminbi through the above channels, they will need to source Renminbi from outside the PRC to square such open positions.

Although it is expected that the offshore Renminbi market will continue to grow in depth and size, its growth is subject to PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of Renminbi outside the PRC. The limited availability of Renminbi outside the PRC may affect the liquidity of the Renminbi Notes. To the extent the relevant Issuer (or the Guarantor) is required to source Renminbi in the offshore market to service its Renminbi Notes, there is no assurance that the relevant Issuer (or the Guarantor) will be able to source such Renminbi on satisfactory terms, if at all.

Investment in the Renminbi Notes is subject to exchange rate risks

The value of Renminbi against other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions as well as many other factors. The PBoC has in recent years implemented changes to the way it calculates the Renminbi's daily mid-point against the U.S. dollar to take into account market-maker quotes before announcing such daily mid-point. This change, and others that may be implemented, may increase the volatility in the value of the Renminbi against foreign currencies. All payments of interest and principal will be made in Renminbi with respect to Renminbi Notes unless otherwise specified. As a result, the value of these Renminbi payments may vary with the changes in the prevailing exchange rates in the marketplace. If the value of Renminbi depreciates against another foreign currency, the value of the investment made by a holder of the Renminbi Notes in that foreign currency will decline.

Investment in the Renminbi Notes is subject to interest rate risks

The PRC Government has gradually liberalised its regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. In addition, the interest rate for Renminbi in markets outside the PRC may significantly deviate from the interest rate for Renminbi in the PRC as a result of PRC law and regulations and prevailing market conditions. As Renminbi Notes may carry a fixed interest rate, the trading price of the Renminbi Notes will consequently vary with the fluctuations in the Renminbi interest rates. If holders of the Renminbi Notes propose to sell their Renminbi Notes before their maturity, they may receive an offer lower than the amount they have invested.

Investment in the Renminbi Notes is subject to currency risk

If the relevant Issuer (or the Guarantor, as the case may be) is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on the Renminbi Notes as a result of Inconvertibility, Non-transferability or Illiquidity (as defined in Condition 11(q) (*Payments – Inconvertibility, Non-transferability or Illiquidity*) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 10(q) (*Payments – Inconvertibility, Non-transferability or Illiquidity*) of the Terms and Conditions of the Italian Law Notes in Physical Form and Condition 10(d) (*Payments – Inconvertibility, Non transferability or Illiquidity*) of the Terms and Conditions of the Dematerialised Notes)), the relevant Issuer (or the Guarantor as the case may be), on giving not less than five nor more than 30 days' irrevocable notice to the Principal Paying Agent and Noteholders prior to the due date for payment, shall be entitled to satisfy their respective obligations in respect of such payment by making such payment in U.S. dollars on the due date at the U.S. Dollar Equivalent (as defined in the Conditions) of any such Renminbi-denominated amount.

Payments with respect to the Renminbi Notes may be made only in the manner designated in the Renminbi Notes

All payments to investors in respect of the Renminbi Notes will be made solely (i) for so long as the Renminbi Notes are represented by global certificates held with the common depositary or common safekeeper, as the case may be, for Euroclear and Clearstream, Luxembourg or any alternative clearing system, by transfer to a Renminbi bank account maintained in Hong Kong or a financial centre in which a Renminbi Clearing Bank clears and settles Renminbi, if so specified in the Final Terms or (ii) for so long as the Renminbi Notes are in definitive form, by transfer to a Renminbi bank account maintained in Hong Kong or a financial centre in which a Renminbi Clearing Bank clears and settles Renminbi, if so specified in the Final Terms, in accordance with prevailing rules and regulations. The relevant Issuer (or the Guarantor) cannot be required to make payment by any other means (including in any other currency or by transfer to a bank account in the PRC).

Remittance of proceeds in Renminbi into or out of the PRC

In the event that the relevant Issuer decides to remit some or all of the proceeds into the PRC in Renminbi, its ability to do so will be subject to obtaining all necessary approvals from, and/or registration or filing with, the relevant PRC government authorities. However, there is no assurance that the necessary approvals from, and/or registration or filing with, the relevant PRC government authorities will be obtained at all or, if obtained, they will not be revoked or amended in the future.

There is no assurance that the PRC Government will continue to gradually liberalise the regulation of cross-border Renminbi remittances in the future, that the PRC Government will not impose any interim or long-term restrictions on capital inflow or outflow which may restrict cross-border Renminbi remittances, that the pilot schemes introduced will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that the relevant Issuer does remit some or all of the proceeds into the PRC in Renminbi and such Issuer subsequently is not able to repatriate funds out of the PRC in Renminbi, it will need to source Renminbi outside the PRC to finance its obligations under the Renminbi Notes, and its ability to do so will be subject to the overall availability of Renminbi outside the PRC.

Investment in Renminbi Notes may be subject to PRC tax

In considering whether to invest in the Renminbi Notes, investors should consult their individual tax advisers with regard to the application of PRC tax laws to their particular situations as well as any tax consequences arising under the laws of any other tax jurisdictions. The value of the Holders' investment in the Renminbi Notes may be materially and adversely affected if the Holder is required to pay PRC tax with respect to acquiring, holding or disposing of and receiving payments under those Renminbi Notes.

Risks related to the market generally

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

The secondary market generally

Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. In addition, the ability of the Dealers to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies, are being issued to a single investor or a limited number of investors or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes. In addition, Notes issued under the Programme might not be listed on a stock exchange or regulated market and, in these circumstances, pricing information may be more difficult to obtain and the liquidity and market prices of such Notes may be adversely affected. In an illiquid market, an investor might not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by

country specific reasons. In addition, liquidity may be limited if the Issuer makes large allocations to a limited number of investors.

Exchange rate risks and exchange controls

The relevant Issuer (or the Guarantor) will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. Where an issue of Notes is rated, investors should be aware that:

(i) such rating will reflect only the views of the rating agency and may not reflect the potential impact of all risks related to structure, market, additional factors discussed above and other factors that may affect the value of the Notes;

(ii) a rating is not a recommendation to buy, sell or hold securities and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency; and

(iii) notwithstanding the above, an adverse change in a credit rating could adversely affect the trading price for the Notes.

In addition, in relation to unsolicited ratings:

(i) the Issuers are under no obligation to disclose any such ratings in the Final Terms or in any Supplement to this Base Prospectus; and

(ii) unsolicited ratings assigned to the Issuers or Notes may differ from any than existing ratings assigned.

Furthermore, in general, EEA regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the EU CRA Regulation. In general, UK regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the UK and registered under the UK CRA Regulation or (1) the rating is provided by a credit rating agency not established in the UK but is endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation or (2) the rating is provided by a credit rating agency not established in the UK which is certified under the UK CRA Regulation.

If the status of the rating agency rating the Notes changes, European regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European regulated investors selling the Notes which may impact the value of the Notes and any secondary market.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

INFORMATION INCORPORATED BY REFERENCE

The following information, which has previously been published and filed with the CSSF is incorporated by reference in, and forms part of, this Base Prospectus:

(i) the English translation of the audited consolidated annual financial statements of the Intesa Sanpaolo Group as at and for the year ended 31 December 2021, as shown in the Intesa Sanpaolo Group 2021 Annual Report;

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/bilanci-relazioni-en/2021/2021_Annual__report.pdf

(ii) the English translation of the unaudited condensed consolidated half-yearly financial statements of the Intesa Sanpaolo Group as at and for the six months ended 30 June 2022, as shown in the Intesa Sanpaolo Group 2022 Half-yearly Report;

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/bilanci-relazioni-en/2022/30062022_Half-yearly_report.pdf

(iii) the English translation of the audited consolidated annual financial statements of the Intesa Sanpaolo Group as at and for the year ended 31 December 2022, as shown in the Intesa Sanpaolo Group 2022 Annual Report;

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/bilanci-relazioni-en/2022/2022_Annual__report.pdf

(iv) the English translation of the unaudited condensed consolidated half-yearly financial statements of the Intesa Sanpaolo Group as at and for the six months ended 30 June 2023, as shown in the Intesa Sanpaolo Group 2023 Half-yearly Report;

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/bilanci-relazioni-en/2023/30062023_Half-yearly_report.pdf

(v) the English translation of the unaudited condensed consolidated interim financial statements of the Intesa Sanpaolo Group as at and for the nine months ended 30 September 2023;

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/bilanci-relazioni-en/2023/30092023_Interim_statement.pdf

(vi) the audited annual financial statements of INSPIRE as at and for the year ended 31 December 2021, as shown in the 2021 annual report of INSPIRE;

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/pdf_bilanci_controllate_21/ISP_Bank_Ireland_Bilancio_31_12_2021.pdf

(vii) the audited annual financial statements of INSPIRE as at and for the year ended 31 December 2022, as shown in the 2022 annual report of INSPIRE;

https://www.intesasanpaolobankireland.ie/content/dam/banche-estere/isp_irlanda/pdf/documentazione/financial-reports/EN/Intesa%20Sanpaolo%20Bank%20Annual%20Report%202022.pdf

(viii) the unaudited half-yearly financial information of INSPIRE as at and for the six months ended 30 June 2023, as shown in the 2023 half-yearly report of INSPIRE;

https://www.intesasanpaolobankireland.ie/content/dam/banche-estere/isp_irlanda/pdf/documentazione/financial-reports/EN/INSPIRE%20June%202023%20Unaudited%20Accounts.pdf

(ix) the audited consolidated financial statements of Intesa Luxembourg as at 31 December 2021, as shown in the 2021 annual report of Intesa Luxembourg;

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/pdf_bilanci_controllate_21/ISP_Bank_Luxembourg_Bilancio_31_12_2021.pdf

(x) the audited annual financial statements of Intesa Luxembourg as at 31 December 2022, as shown in the 2022 annual report of Intesa Luxembourg;

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/pdf_bilanci_controllate_22/ISP_Bank_Luxembourg-Bilancio_31_12_2022.pdf

(xi) the base prospectus in respect of the Intesa Sanpaolo, INSPIRE and Intesa Luxembourg Euro Medium Term Note Programme dated 22 December 2022 (the "2022 Base Prospectus");

https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/investor-relations/Contenuti/RISORSE/Documenti%20PDF/prosp_programma_MTN/20221223_EMTN_Programme_Update_2022_Base_Prospectus.pdf

This Base Prospectus will be available, in electronic format, on the website of the Luxembourg Stock Exchange (https://www.LuxSE.com) and at the following website:

https://group.intesasanpaolo.com/en/investor-relations/prospectus/international-issue-documents/mtn

Any information contained in or incorporated by reference in any of the documents specified above which is not included in the cross-reference list in this Base Prospectus is not incorporated by reference and is either not relevant to investors or is covered elsewhere in this Base Prospectus and, for the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of this Base Prospectus.

Intesa Sanpaolo declares that the English translation of each of the Intesa Sanpaolo Group's financial statements incorporated by reference in this Base Prospectus is an accurate and not misleading translation in all material respect of the Italian language version of the Intesa Sanpaolo Group's financial statements. Intesa Sanpaolo takes responsibility for the accuracy of such translations.

Cross-reference list

The following table shows where the information required under article 19(2) of 2017/1129 can be found in the above-mentioned documents.

Regulation (EU)

Intesa Sanpaolo Group 2021 Annual Report

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Alternative Performance Measures	189-193
Consolidated balance sheet	200-201
Consolidated income statement	202
Statement of consolidated comprehensive income	203
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Intesa Sanpaolo Group 2022 Annual Report

Intesa Sanpaolo Group Half-yearly Report as at 30 June 2022

Intesa Sanpaolo Group Half-yearly Report as at 30 June 2023

Intesa Sanpaolo Group – Interim Statement as at 30 September 2023

Intesa Sanpaolo Bank Ireland p.l.c. 2021 Annual Report

Intesa Sanpaolo Bank Ireland p.l.c. 2022 Annual Report

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Intesa Sanpaolo Bank Luxembourg S.A. 2021 Annual Report

	Page number(s) (references are to pages of the pdf. version)
Independent auditor's report	19-23
Statement of financial position	24-25
Statement of profit or loss and other comprehensive income	26-27
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Intesa Sanpaolo Bank Luxembourg S.A. 2022 Annual Report

	Page number(s) (references are to pages of the pdf. version) ***Page number(s)*** pdf. version
Independent auditors' report	13-17
Statement of financial position	18-19
Statement of profit or loss and other comprehensive income	20-21
Statement of changes in equity	22
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For the purposes of Article 19(1) of Regulation (EU) 2017/1129, only the Terms and Conditions of the English Law Notes and the Terms and Conditions of the Italian Law Notes of the 2022 Base Prospectus are incorporated by reference in this Base Prospectus and any non-incorporated parts of the 2022 Base Prospectus are either deemed not relevant for an investor or are otherwise covered elsewhere in this Base Prospectus.

FURTHER PROSPECTUSES AND SUPPLEMENTS

The Issuers will prepare a new Base Prospectus setting out the changes in the operations and financial conditions of the Issuers at least every year after the date of this Base Prospectus and each subsequent Base Prospectus.

The Issuers have given an undertaking to the Dealers that if at any time during the duration of the Programme there is a significant new factor, material mistake or material inaccuracy relating to the information contained in this Base Prospectus which is capable of affecting the assessment of the Notes, they shall prepare and publish a supplement to this Base Prospectus in accordance with Article 23 of the Prospectus Regulation or a new Base Prospectus for use in connection with any subsequent offering of Notes and shall supply to each Dealer any number of copies of such supplement as a Dealer may reasonably request. Any supplement to this Base Prospectus or a new Base Prospectus shall be approved by the CSSF.

In addition, the Issuers may agree with any Dealer to issue Notes in a form not contemplated in "*Form of Final Terms*" on pages 189 to 211. To this extent, and/or to the extent that the information relating to that Tranche of Notes constitutes a significant new factor in relation to the information contained in this Base Prospectus, a separate prospectus specific to such Tranche (a "**Drawdown Prospectus**") will be made available and will contain such information. Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the relevant Issuer and the relevant Notes or (2) pursuant to Article 6.3 of the Prospectus Regulation, by a registration document containing the necessary information relating to the relevant Issuer, a securities note containing the necessary information relating to the relevant Notes and, if necessary, a summary note. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, references in this Base Prospectus to information specified or identified in the Final Terms shall (unless the context requires otherwise) be read and construed as information specified or identified in the relevant Drawdown Prospectus.

FORMS OF THE NOTES

A. NOTES IN PHYSICAL FORM

Bearer Notes

Each Tranche of Notes in bearer form ("**Bearer Notes**") will initially be in the form of either a temporary global note in bearer form (the "**Temporary Global Note**"), without interest coupons, or a permanent global note in bearer form (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Note**") which is not intended to be issued in New Global Note form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depositary or a common depositary for Euroclear Bank SA/NV as operator of the Euroclear System ("**Euroclear**") and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Global Note which is intended to be issued in New Global Note form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

On 13 June 2006, the European Central Bank (the "**ECB**") announced that Notes in New Global Note form are in compliance with the "*Standards for the use of EU securities settlement systems in ESCB credit operations*" of the central banking system for the euro (the "**Eurosystem**"), *provided that* certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in New Global Note form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the New Global Note form is used.

In the case of each Tranche of Bearer Notes, the relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

Temporary Global Note exchangeable for Permanent Global Note

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the relevant Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Principal Paying Agent; and
- receipt by the Principal Paying Agent of a certificate or certificates of non-U.S. beneficial ownership,
- within 7 days of the bearer requesting such exchange.

The principal amount of Notes represented by the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non-U.S. beneficial ownership *provided, however, that* in no circumstances shall the principal amount of Notes represented by the Permanent Global Note exceed the initial principal amount of Notes represented by the Temporary Global Note.

The Permanent Global Note will become exchangeable, in whole but not in part only he bearer of the Permanent Global Note, for Bearer Notes in definitive form ("**Definitive Notes**"):

(a) on the expiry of such period of notice as may be specified in the relevant Final Terms; or

(b) at any time, if so specified in the relevant Final Terms; or

(c) if the Final Terms specifies "in the limited circumstances described in the Permanent Global Note", then if either of the following events occurs:

(i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or

(ii) any of the circumstances described in Condition 13 (*Events of Default*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 12 (*Events of Default*) of the Terms and Conditions of the Italian Law Notes in Physical Form occurs.

Save as described below, where interests in the Permanent Global Note are to be exchanged for Definitive Notes in the circumstances described above, Notes may only be issued in denominations which are integral multiples of the minimum denomination and may only be traded in such amounts, whether in global or definitive form. As an exception to the above rule, so long as the clearing systems so permit and subject to any minimum denomination applicable to Notes issued by INSPIRE or Intesa Luxembourg, where the Permanent Global Note may only be exchanged in the limited circumstances described in paragraph (c) above, Notes may be issued and will be tradable in denominations which represent the aggregate of (i) a minimum Specified Denomination of €100,000 (or €150,000 in the case of Senior Non-Preferred Notes or €200,000 in the case of Subordinated Notes or such other minimum denomination provided by applicable law from time to time), plus (ii) integral multiples of another smaller amount, *provided that*, although greater than €100,000 (or €150,000 in the case of Senior Non-Preferred Notes or €200,000 in the case of Subordinated Notes or such other minimum denomination provided by applicable law from time to time) (or its equivalent in another currency), are not integral multiples of €100,000 (or €150,000 in the case of Senior Non-Preferred Notes or €200,000 in the case of Subordinated Notes or such other minimum denomination provided by applicable law from time to time). For the avoidance of doubt, each holder of Notes of such denominations will, upon exchange for Definitive Notes, receive Definitive Notes in an amount equal to its entitlement to the principal amount represented by the Permanent Global Note. However, a Noteholder who holds a principal amount of less than the minimum denomination may not receive a Definitive Note and would need to purchase a principal amount of Notes such that its holding is an integral multiple of the minimum denomination.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the relevant Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated or in the case of a New Global Note Permanent Global Note effectuated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 60 days of the bearer requesting such exchange.

Temporary Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the relevant Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Principal Paying Agent within 60 days of the bearer requesting such exchange.

Permanent Global Note exchangeable for Definitive Notes

If the relevant Final Terms specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

(a) on the expiry of such period of notice as may be specified in the relevant Final Terms; or

(b) at any time, if so specified in the relevant Final Terms; or

(c) if the relevant Final Terms specifies "in the limited circumstances described in the Permanent Global Note", then if either of the following events occurs:

  (i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or

  (ii) any of the circumstances described in Condition 13 (*Events of Default*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 12 (*Events of Default*) of the Terms and Conditions of the Italian Law Notes in Physical Form occurs.

Save as described above, where interests in the Permanent Global Note are to be exchanged for Definitive Notes in the circumstances described above, Notes may only be issued in denominations which are integral multiples of the minimum denomination and may only be traded in such amounts, whether in global or definitive form. As an exception to the above rule, so long as the clearing systems so permit and subject to any minimum denomination applicable to Notes issued by INSPIRE or Intesa Luxembourg, where the Permanent Global Note may only be exchanged in the limited circumstances described in paragraph (c) above, Notes may be issued and will be tradable in denominations which represent the aggregate of (i) a minimum Specified Denomination of €100,000 (or €150,000 in the case of Senior Non-Preferred Notes or €200,000 in the case of Subordinated Notes or such other minimum denomination provided by applicable law from time to time), plus (ii) integral multiples of another smaller amount, *provided that*, although greater than €100,000 (or €150,000 in the case of Senior Non-Preferred Notes or €200,000 in the case of Subordinated Notes or such other minimum denomination provided by applicable law from time to time) (or its equivalent in another currency), are not integral multiples of €100,000 (or €150,000 in the case of Senior Non-Preferred Notes or €200,000 in the case of Subordinated Notes or such other minimum denomination provided by applicable law from time to time) (or its equivalent). For the avoidance of doubt, each holder of Notes of such denominations will, upon exchange for Definitive Notes, receive Definitive Notes in an amount equal to its entitlement to the principal amount represented by the Permanent Global Note. However, a Noteholder who holds a principal amount of less than the minimum denomination may not receive a Definitive Note and would need to purchase a principal amount of Notes such that its holding is an integral multiple of the minimum denomination.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the relevant Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated or in the case of a New Global Note Permanent Global Note effectuated and with Coupons and Talons attached (if so specified in the Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 60 days of the bearer requesting such exchange.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the English Law Notes in Physical Form*",

and "*Terms and Conditions of the Italian Law Notes in Physical Form*" below and the provisions of the relevant Final Terms which complete those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Overview of Provisions Relating to the Notes while in Global Form*" below.

Legend concerning United States persons

In the case of any Tranche of Bearer Notes where TEFRA D Rules or TEFRA C Rules are specified in the relevant Final Terms, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

"*Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code.*"

Registered Notes

Each Tranche of Registered Notes will be in the form of either Individual Note Certificates or a global Note in registered form (a "**Global Registered Note**"), in each case as specified in the relevant Final Terms.

In a press release dated 22 October 2008, "*Evolution of the custody arrangement for international debt securities and their eligibility in Eurosystem credit operations*", the ECB announced that it has assessed the new holding structure and custody arrangements for registered notes which the ICSDs had designed in cooperation with market participants and that Notes to be held under the new structure (the "**New Safekeeping Structure**" or "**NSS**") would be in compliance with the Eurosystem, subject to the conclusion of the necessary legal and contractual arrangements. The press release also stated that the new arrangements for Notes to be held in NSS form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2010 and that registered debt securities in global registered form held issued through Euroclear and Clearstream, Luxembourg after 30 September 2010 will only be eligible as collateral in Eurosystem operations if the New Safekeeping Structure is used.

Each Global Registered Note will either be: (a) in the case of a Note which is not to be held under the NSS, registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common depositary and will be exchangeable in accordance with its terms; or (b) in the case of a Note to be held under the New Safekeeping Structure, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg and will be exchangeable for Individual Note Certificates in accordance with its terms.

If the relevant Final Terms specifies the form of Notes as being "Individual Note Certificates", then the Notes will at all times be in the form of Individual Note Certificates issued to each Noteholder in respect of their respective holdings.

If the relevant Final Terms specifies the form of Notes as being "Global Registered Note exchangeable for Individual Note Certificates", then the Notes will initially be in the form of a Global Registered Note which will be exchangeable in whole, but not in part, for Individual Note Certificates:

(a) on the expiry of such period of notice as may be specified in the relevant Final Terms; or

(b) at any time, if so specified in the relevant Final Terms; or

(c) if the relevant Final Terms specifies "in the limited circumstances described in the Global Registered Note", then if either of the following events occurs:

(i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or

(ii) any of the circumstances described in Condition 13 (*Events of Default*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 12 (*Events of Default*) of the Terms and Conditions of the Italian Law Notes in Physical Form occurs.

Whenever the Global Registered Note is to be exchanged for Individual Note Certificates, the relevant Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Registered Note within five business days of the delivery, by or on behalf of the registered holder of the Global Registered Note to the Registrar of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Registered Note at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any holder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

The Registrar will not register the transfer of or exchange of interests in a Global Note Certificate for Individual Note Certificates for a period of 15 days ending on the due date for any payment of principal or interest in respect of the Notes.

Terms and Conditions applicable to the Notes

The terms and conditions applicable to any Individual Note Certificate will be endorsed on that Individual Note Certificate and will consist of the terms and conditions set out under "*Terms and Conditions of the English Law Notes in Physical Form*", and "*Terms and Conditions of the Italian Law Notes in Physical Form*" below and the provisions of the relevant Final Terms which complete those terms and conditions.

The terms and conditions applicable to any Global Registered Note will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Overview of Provisions Relating to the Notes while in Global Form*" below.

B. DEMATERIALISED NOTES

Dematerialised Notes will be held in dematerialised form on behalf of the beneficial owners thereof, from their date of issue until their redemption or cancellation thereof, by Monte Titoli, for the account of the relevant Monte Titoli Account Holders. The expression "Monte Titoli account holder" means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli and include any financial intermediary appointed by Euroclear and/or Clearstream, Luxembourg for the account of participants in Euroclear and/ or Clearstream, Luxembourg.

The Notes will at all times be held in book entry form and title to the Notes will be evidenced by book entries pursuant to the relevant provisions of the Financial Services Act and in accordance with the CONSOB and Bank of Italy Regulation. No physical document of title will be issued in respect of the Dematerialised Notes. However, the Noteholders may ask the relevant intermediaries for certification pursuant to Article 83-quinquies and 83-sexies of the Financial Services Act.

Payment of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent for the Dematerialised Notes to the accounts of the Monte Titoli Account Holders whose accounts with Monte Titoli are credited with those Notes and thereafter credited by such Monte Titoli Account Holders to the accounts of the beneficial owners of those Notes or through Euroclear and Clearstream, Luxembourg to the accounts with Euroclear and Clearstream, Luxembourg of the beneficial owners of those Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream, Luxembourg, as the case may be.

TERMS AND CONDITIONS OF THE ENGLISH LAW NOTES IN PHYSICAL FORM

The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Conditions applicable to Global Notes". Further information related to Inflation-Linked Notes is contained in ANNEX 1 *(Further information related to Inflation-Linked Notes) below.*

1. Introduction

(a) *Programme*: Intesa Sanpaolo S.p.A. acting through its Turin head office or its Sydney branch as Issuer ("**Intesa Sanpaolo**" or the "**Bank**" or the "**Issuer**"), Intesa Sanpaolo Bank Ireland p.l.c. ("**INSPIRE**") and Intesa Sanpaolo Bank Luxembourg S.A. ("**Intesa Luxembourg**") have established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to €70,000,000,000 in aggregate principal amount of English law-governed notes (the "**English Law Notes in Physical Form**" or the "**Notes**") guaranteed, in respect of Notes issued by INSPIRE and Intesa Luxembourg, by Intesa Sanpaolo (in this capacity, the "**Guarantor**") pursuant to a Deed of Guarantee (as defined below) to be entered upon the issuance of such guaranteed Notes.

(b) *Final Terms*: Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of final terms (the "**Final Terms**") which complete these terms and conditions governed by English law (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms.

(c) *Trust Deed*: The Notes are subject to and have the benefit of an amended and restated trust deed dated 21 December 2023 (as amended and/or supplemented and/or restated from time to time, and including the Deed of Guarantee (as defined below), the "**Trust Deed**") made between Intesa Sanpaolo, INSPIRE, Intesa Luxembourg and Trustee, which expression shall include all persons for the time being the trustee or trustees appointed under the Trust Deed.

(d) *Agency Agreement*: The Notes are the subject of an amended and restated paying agency agreement dated 21 December 2023 (as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement for the English Law Notes in Physical Form**") between Intesa Sanpaolo, INSPIRE, Intesa Luxembourg, the Trustee, Deutsche Bank AG acting through its London Branch as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor principal paying agent appointed from time to time in connection with the Notes), Deutsche Bank Luxembourg S.A. as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes) and the transfer agent (the "**Transfer Agent**", which expression includes any successor transfer agent appointed from time to time in connection with the Notes) and paying agents named therein (together with the Principal Paying Agent and the Registrar, the "**Agents**", which expression includes any successor or additional agents appointed from time to time in connection with the Notes).

(e) *Deed of Guarantee*: Notes issued by INSPIRE and Intesa Luxembourg shall have the benefit of a deed of guarantee (the "**Deed of Guarantee**") entered into in respect of such Notes.

(f) *The Notes*: All subsequent references in these Conditions to Notes are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available for inspection and obtainable free of charge by the public during normal business hours at the Specified Office of the Trustee, the Specified Office of the Principal Paying Agent or, in the case of Registered Notes the Registrar, and, in any event, at the Specified Office of the Paying Agent in Luxembourg, the initial Specified Office of which is set out below.

(g) *Summaries*: Certain provisions of these Conditions are summaries of the Trust Deed, Agency Agreement for the English Law Notes in Physical Form and the Deed of Guarantee (if entered into in respect of an issue of Notes) and are subject to their detailed provisions. Noteholders and Couponholders, if any, are bound by, and are deemed to have notice of, all the provisions of the Trust

Deed, the Agency Agreement for the English Law Notes in Physical Form and the Deed of Guarantee (if any) applicable to them. Copies of the Trust Deed, the Agency Agreement for the English Law Notes in Physical Form and the Deed of Guarantee (if entered into in respect of an issue of Notes) (i) are available for inspection or collection (or electronically) by Noteholders during normal business hours at the Specified Offices of the Trustee and each of the Paying Agents, the initial Specified Offices of which are set out below or (ii) may be provided by email to a Noteholder following their prior written request to the Trustee, any Paying Agents and provision of proof of holding and identity (in a form satisfactory to the Trustee, the relevant Paying Agent, as the case may be).

(h) *Issuers*: References in these Conditions to "**Issuer**" are to the entity specified as the Issuer in the relevant Final Terms.

2. **Definitions and Interpretation**

(a) *Definitions*: In these Conditions the following expressions have the following meanings:

"**2006 ISDA Definitions**" means, in relation to a Series of Notes, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of such Series) as published by ISDA (copies of which may be obtained from ISDA at www.isda.org);

"**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the date of issue of the first Tranche of Notes of such Series, as published by ISDA on its website (www.isda.org);

"**Accrual Yield**" has the meaning given in the relevant Final Terms;

"**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Additional Tier 1 Capital**" has the meaning given to such term (or any other equivalent or successor term) in the Applicable Banking Regulations;

"**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Benchmark Rate (as the case may be) and is the spread, formula or methodology which is notified by the Issuers to the Principal Paying Agent and Calculation Agent as being:

(a) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(b) (if no such recommendation has been made, or in the case of an Alternative Benchmark Rate), the Independent Adviser, determines and notifies the Principal Paying Agent and the Calculation Agent is customarily applied to the relevant Successor Rate or Alternative Benchmark Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or

(c) (if no such recommendation has been made) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Benchmark Rate (as the case may be); or

(d) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines (acting in good faith and in a commercially reasonable manner) to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case

may be) to Noteholders and Couponholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Benchmark Rate (as the case may be);

an "**Alignment Event**" will be deemed to have occurred if, as a result of a change in or amendment to the Applicable Banking Regulations or interpretation thereof, at any time after the Issue Date of a relevant Series of Notes, the Issuer would be able to issue (i) in the case such Notes are Senior Preferred Notes or Senior Non-Preferred Notes, an instrument qualifying as Eligible Liabilities Instruments or (ii) in the case such Notes are Subordinated Notes, an instrument qualifying as Tier 2 Capital which, in each case, contains one or more provisions that are, in the reasonable opinion of the Issuer, different in any material respect from those contained in these Conditions;

"**Applicable Banking Regulations**" means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then applicable to the Issuer or the Group (including any applicable transitional provisions) including, without limitation, the BRRD, the BRRD Implementing Decrees, the CRD IV Package, the Capital Instruments Regulations, Circular No. 285, the Banking Reform Package, the SRM Regulation and any other regulations, requirements, guidelines and policies relating to capital adequacy then in effect of the Relevant Authority (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer) or of the institutions of the European Union and standards and guidelines issued by the European Banking Authority;

"**Approved Reorganisation**" means a solvent and voluntary reorganisation involving, alone or with others, the Issuer or, as applicable, the Guarantor, and whether by way of consolidation, amalgamation, merger, transfer of all or substantially all of its business or assets, or otherwise *provided that* the principal resulting, surviving or transferee entity (a "**Resulting Entity**") is a banking company and effectively assumes all the obligations of the Issuer or, as applicable, the Guarantor, under, or in respect of, the Notes or, as applicable, the Guarantee of the Notes;

"**Banking Reform Package**" means: (i) Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 575/2013 as regards the leverage ratio, the net stable funding ration, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposure to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No. 648/2012; (ii) Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 806/2014 as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms; (iii) Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures; and (iv) Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms and Directive 98/26/EC;

"**Bearer Note**" means a Note in bearer form;

"**Benchmark Event**" means:

(a) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(b) a public statement by the administrator of the relevant Reference Rate that it has ceased, or will cease, publishing such Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Reference Rate); or

(c) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will be permanently or indefinitely discontinued; or

(d) a public statement by the supervisor of the administrator of the Reference Rate (as applicable) that means that such Reference Rate will be prohibited from being used or that its use will

be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(e) a public statement by the supervisor of the administrator of the relevant Reference Rate that, in the view of such supervisor, such Reference Rate is no longer representative of an underlying market; or

(f) it has or will become unlawful for the Calculation Agent or the relevant Issuer to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the BMR, if applicable).

Unless otherwise specified in the relevant Final Terms, the change of the Reference Rate methodology does not constitute a Benchmark Event. In the event of a change in the formula and/or (mathematical or other) methodology used to measure the Relevant Benchmark, reference shall be made to the Reference Rate based on the formula and/or methodology as changed.

"**BMR**" means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014 as amended or replaced from time to time;

"**BRRD**" means Directive 2014/59/EU of the European Parliament and of the Council of May 15 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

"**BRRD Implementing Decrees**" means the Legislative Decrees No. 180 and 181 of November 16, 2015, implementing the BRRD in the Republic of Italy, as amended or replaced from time to time (including, without limitation, as a consequence of the transposition of the Banking Reform Package into Italian law);

"**Business Day**" means:

(i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre;

(ii) in relation to any sum payable in a currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre; and

(iii) in relation to any sum payable in Renminbi, a day (other than Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong/the Principal Financial Centre of Renminbi and in each (if any) Additional Business Centre;

"**Business Day Convention**", in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

(i) "**Following Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day;

(ii) "**Modified Following Business Day Convention**" or "**Modified Business Day Convention**" the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

(iii) "**Preceding Business Day Convention**" means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

(iv) "**FRN Convention**", "**Floating Rate Convention**" or "**Eurodollar Convention**" means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred *provided, however, that:*

(A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;

(B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day;

(C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

(v) "**No Adjustment**" means that the relevant date shall not be adjusted in accordance with the Business Day Convention.

"**Calculation Agent**" means the person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

"**Calculation Amount**" has the meaning given in the relevant Final Terms;

"**Capital Instruments Regulations**" means the Delegated Regulation and any other rules or regulations of the Relevant Authority or which are otherwise applicable to the Issuer or the Group (as the case may be and, where applicable), whether introduced before or after the Issue Date of the relevant Series of Notes, which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the Own Funds to the extent required under the CRD IV Package;

"**CET1 Instruments**" means at any time common equity tier 1 instruments as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Circular No. 285**" means the Bank of Italy Circular No. 285 of 17 December 2013, as amended or replaced from time to time (including, without limitation, as a consequence of the transposition of the Banking Reform Package into Italian law);

"**CNY**" or "**Renminbi**" means the lawful currency of the PRC;

"**Coupon**" means an interest coupon relating to a Bearer Note;

"**Couponholder**" means the holder of a Coupon;

"**Coupon Sheet**" means, in respect of a Bearer Note, a coupon sheet relating to such Note;

"**CRD IV**" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

"**CRD IV Package**" means the CRR and the CRD IV;

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 setting out prudential requirements for credit institutions and investment firms, as amended or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

(i) if "**Actual/Actual (ICMA)**" is so specified, means:

(a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year; and

(b) where the Calculation Period is longer than one Regular Period, the sum of:

(1) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(2) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (b) the number of Regular Periods normally ending in any year;

(ii) if "**Actual/365**" or "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;

(iv) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;

(v) if "**30/360**" (in respect of Condition 6 (*Fixed Rate Note Provisions*)) is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month));

(vi) if "**Actual/365 (Sterling)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(vii) If "**30/360**" (in respect of Condition 7 (*Floating Rate Note and Benchmark Replacement*)) or "**360/360**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30; and

(viii) If "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360\ x(Y_2 - Y_1)] + [30\ x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30; and

(ix) If "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

None of the Principal Paying Agent, Paying Agents or the Calculation Agents shall be responsible or liable for any action or inaction of the Independent Adviser or in respect of the determination of any Successor Rate or Alternative Rate, or any Adjustment Spread or Benchmark Amendments.

"**Delegated Regulation**" means the Commission Delegated Regulation (EU) No. 241/2014 of 7 January 2014, supplementing the CRR with regard to regulatory technical standards for Own Funds requirements for institutions, as amended and replaced from time to time;

"**Early Redemption Amount**" has the meaning given to it in the applicable Final Terms;

"**Early Redemption Amount (Tax)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**euro**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Communities as amended from time to time;

"**Extraordinary Resolution**" has the meaning given in the Trust Deed;

"**Final Redemption Amount**" means, in respect of any Note (other than Inflation-Linked Notes), its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms *provided that*, in any case, such amount will be at least equal to the relevant par value. In respect of Inflation-Linked Notes, the "Final Redemption Amount" means an amount different from the relevant par value as may be specified in the relevant Final Terms, *provided that* under no circumstances shall the Final Redemption Amount be less than the Nominal Amount of the Notes;

"**Fixed Coupon Amount**" has the meaning given in the relevant Final Terms;

"**Guarantee of the Notes**" means the guarantee of the Notes issued by INSPIRE or Intesa Luxembourg, as the case may be, that has been given by the Guarantor in the Deed of Guarantee entered into in relation to that issue of Notes;

"**Holder**" means a Registered Holder or, as the context requires, the holder of a Bearer Note;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the People's Republic of China;

"**Indebtedness for Borrowed Money**" means any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of (i) money borrowed, (ii) liabilities under or in respect of any acceptance or acceptance credit or (iii) any bonds, notes, debentures, loan capital, certificates of deposit, loan stock or other like instruments or securities offered, issued or distributed whether by way of public offer, private placement, acquisition consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash;

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser of recognised standing with relevant experience in the international capital markets, in each case appointed by the Issuer at its own expense *which, for the avoidance of doubt, this will not be the* Principal Paying Agent;

"**INSPIRE Duplicate Register**" has the meaning given to it in Condition 3(e) (*Title to Registered Notes*);

"**Interest Amount**" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"**Interest Commencement Date**" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

"**Interest Determination Date**" has the meaning given in the relevant Final Terms;

"**Interest Payment Date**" means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

(i) as the same may be adjusted in accordance with the relevant Business Day Convention; or

(ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"**Interest Period**" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

"**Irish Bail-in Power**" means any write-down, conversion, transfer, modification, or suspension power, whether relating to the resolution or independent of any resolution action, of credit institutions, investment firms and/or Group entities, existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Ireland including those:

(i) relating to the transposition of BRRD, including but not limited to the European Union (Bank Recovery and Resolution) Regulations 2015 as amended or replaced from time to time (the "**BRRD Irish Regulations**") and the instruments rules and standards created thereunder; and

(ii) constituting or relating to the SRM Regulation and the instruments rules and standards created thereunder,

in each case, pursuant to which any obligation of a regulated entity (or other affiliate of such regulated entity) can be reduced (including to zero), cancelled, modified or converted into shares, other securities, or other obligations of such regulated entity or any other person (or suspended for a temporary period). For this purpose, a reference to a "regulated entity" is to any entity to which for the purposes of paragraph (i) above, the BRRD Irish Regulation apply and, for the purposes of (ii) above, the SRM Regulation applies, which in each case includes certain credit institutions, investment firms and certain of their parent or holding companies.

"**ISDA Definitions**" has the meaning given in the relevant Final Terms;

"**Issue Date**" has the meaning given in the relevant Final Terms;

"**Italian Bail-in Power**" means any write-down, conversion, transfer, modification, or suspension power whether relating to the resolution or independent of any resolution action, of credit institutions, investment firms and/or Group entities, existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the Republic of Italy, including those relating to (i) the transposition of the BRRD (including, but not limited to, Legislative Decrees No. 180/2015 and 181/2015) as amended from time to time; and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of a regulated entity (or other affiliate of such regulated entity) can be reduced, cancelled, modified, or converted into shares, other securities, or other obligations of such regulated entity or any other person (or suspended for a temporary period);

"**Loss Absorption Requirement**" means the power of the Relevant Authority to impose that Own Funds instruments or other liabilities of the Issuer or entities of the Group (as the case may be) are subject to full or partial write-down of the principal or conversion into CET1 Instruments or other instruments of ownership;

"**Luxembourg Bail-in Power**" means any write-down, conversion, transfer, modification, or suspension power, whether relating to the resolution or independent of any resolution action, of credit institutions, investment firms and/or Group entities, existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in Luxembourg, including those (i) relating to the transposition of the BRRD (including, but not limited to, the Luxembourg Resolution Law), (ii) relating to the SRM Regulation or (iii) otherwise arising under Luxembourg law and (iv) in each case, the instruments, rules and standards created thereunder, pursuant to which any obligation of a regulated entity or other affiliate of such regulated entity) can be reduced, cancelled, modified, or converted into shares, other securities, or other obligations of such regulated entity or any other person (or suspended for a temporary period) and any right in a contract governing an obligation of a regulated entity may be deemed to have been exercised. For this purpose, a reference to a "regulated entity" is to any institution or entity (which includes certain credit institutions, investment firms, and certain of their group companies) referred to in points (1), (2), (3) or (4) of Article 2(1) of the Luxembourg Resolution Law, and with respect to the SRM Regulation to any entity referred to in Article 2 of the SRM Regulation;

"**Luxembourg Resolution Law**" means the Luxembourg law of 18 December 2015 on the failure of credit institutions and certain investment firms (as amended);

"**Margin**" has the meaning given in the relevant Final Terms;

"**Maturity Date**" has the meaning given in the relevant Final Terms;

"**Maximum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**Minimum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**MREL Disqualification Event**" means that, at any time, all or part of the aggregate outstanding nominal amount of such Series of Senior Preferred Notes or Senior Non-Preferred Notes is or will be excluded fully or partially from the eligible liabilities available to meet the MREL Requirements *provided that*: (a) the exclusion of a Series of Senior Preferred Notes or Senior Non-Preferred Notes from the MREL Requirements due to the remaining maturity of such Senior Preferred Notes or Senior Non-Preferred Notes being less than any period prescribed thereunder, does not constitute an MREL Disqualification Event; (b) the exclusion of all or some of a Series of Senior Preferred Notes from the MREL Requirements due to there being insufficient headroom for such Senior Preferred Notes within a prescribed exception to the otherwise applicable general requirements for eligible liabilities (to the extent applicable to Intesa Sanpaolo and/or the Group) does not constitute an MREL Disqualification Event; and (c) the exclusion of all or some of a Series of Senior Preferred Notes or Senior Non-Preferred Notes from the MREL Requirements as a result of such Notes being purchased by or on behalf of Intesa Sanpaolo or as a result of a purchase which is funded directly or indirectly by Intesa Sanpaolo, does not constitute an MREL Disqualification Event;

"**MREL Requirements**" means the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for Own Funds and eligible liabilities and/or loss-absorbing capacity instruments applicable to Intesa Sanpaolo and/or the Group, from time to time, (including any applicable transitional provisions) including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for Own Funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Republic of Italy, a Relevant Authority or the European Banking Authority from time to time (whether or not such requirements, guidelines or policies are applied generally or specifically to Intesa Sanpaolo and/or the Group), as any of the preceding laws, regulations, requirements, guidelines, rules, standards, policies or interpretations may be amended, supplemented, superseded or replaced from time to time;

"**Multiplier**" has the meaning given in the relevant Final Terms;

"**Note Certificate**" means a certificate issued to each Registered Holder in respect of its registered holding of Notes;

"**Noteholder**" means a holder of a Bearer Note or, as the context requires, a Registered Holder;

"**Optional Redemption Amount (Call)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Amount (Put)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Date (Call)**" has the meaning given in the relevant Final Terms;

"**Optional Redemption Date (Put)**" has the meaning given in the relevant Final Terms;

"**Own Funds**" shall have the meaning assigned to such term in the CRR as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Payment Business Day**" means:

(i) if the currency of payment is euro, any day which is:

(A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

(B) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or

(ii) if the currency of payment is not euro or Renminbi, any day which is:

(A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

(B) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre; or

(iii) if the currency of payment is Renminbi, a day (other than Saturday, Sunday, or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong/the Principal Financial Centre of Renminbi and in each (if any) Additional Financial Centre.

"**PRC**" means the People's Republic of China which, for the purpose of these Terms and Conditions, shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"**Principal Financial Centre**" means, in relation to any currency, the principal financial centre for that currency *provided, however, that*:

(i) in relation to euro, it means the principal financial centre of such Member State of the European Union or the United Kingdom as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

(ii) in relation to Australian dollars, it means Melbourne and, in relation to New Zealand dollars, it means Wellington; and

(iii) in relation to Renminbi, it means Hong Kong;

"**Put Option Notice**" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Put Option Receipt**" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Qualifying Senior Preferred Notes**" means securities issued directly or indirectly by the Issuer that:

(i) (A) contain terms which at such time result in such securities being eligible to count towards fulfilment of the Issuer's and/or the Group's (as applicable) minimum requirements for Own Funds and eligible liabilities under the then applicable MREL Requirements; (B) include a ranking at least equal to that of the Senior Preferred Notes; (C) have the same Rate of Interest and the same Interest Payment Dates as those from time to time applying to the Senior Preferred Notes; (D) have the same redemption rights as the Senior Preferred Notes; (E) preserve any existing rights under the Senior Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation; (F) are assigned (or maintain) the same or higher solicited credit ratings as were assigned to the Senior Preferred Notes immediately prior to such variation or substitution, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*) with respect to Senior Preferred Notes issued by Intesa Sanpaolo, or Condition 24 (*Acknowledgment of the Irish Bail-in Power*) with respect to Senior Preferred Notes issued by INSPIRE, or Condition 25 (*Acknowledgment of the Luxembourg Bail-in Power*) with respect to Senior Preferred Notes issued by Intesa Luxembourg; and (G) other than in respect of the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*) with respect to Senior Preferred Notes issued by Intesa Sanpaolo, or Condition 24 (*Acknowledgment of the Irish Bail-in Power*) with respect to Senior Preferred Notes issued by INSPIRE, or Condition 25 (*Acknowledgment of the Luxembourg Bail-in Power*) with respect to Senior Preferred Notes issued by Intesa Luxembourg, have terms not materially less favourable to a holder of the Senior Preferred Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing which is independent of the Group, than the terms of the Senior Preferred Notes; and

(ii) are listed on a recognized stock exchange if the Senior Preferred Notes were listed immediately prior to such variation or substitution;

"**Qualifying Senior Non-Preferred Notes**" means securities issued directly or indirectly by the Issuer that:

(i) (A) contain terms which at such time result in such securities being eligible to count towards fulfilment of the Issuer's and/or the Group's (as applicable) minimum requirements for Own Funds and eligible liabilities under the then applicable MREL Requirements; (B) include a

ranking at least equal to that of the Senior Non-Preferred Notes; (C) have the same Rate of Interest and the same Interest Payment Dates as those from time to time applying to the Senior Non-Preferred Notes; (D) have the same redemption rights as the Senior Non-Preferred Notes; (E) preserve any existing rights under the Senior Non-Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation; (F) are assigned (or maintain) the same or higher solicited credit ratings as were assigned to the Senior Non-Preferred Notes immediately prior to such variation or substitution, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*); and (G) other than in respect of the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*), have terms not materially less favourable to a holder of the Senior Non-Preferred Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing which is independent of the Group, than the terms of the Senior Non-Preferred Notes; and

(ii) are listed on a recognized stock exchange if the Senior Non-Preferred Notes were listed immediately prior to such variation or substitution;

"**Qualifying Subordinated Securities**" means securities, whether debt, equity, interests in limited partnerships or otherwise, issued directly or indirectly by the Issuer that:

(i) (A) contain terms such that they comply with the then-current minimum requirements under the Applicable Banking Regulations for inclusion in the Tier 2 Capital of the Issuer or the Group (as applicable); (B) include a ranking at least equal to that of the Subordinated Notes; (C) have the same Rate of Interest and the same Interest Payment Dates as those from time to time applying to the Subordinated Notes; (D) have the same redemption rights as the Subordinated Notes; (E) preserve any existing rights under the Subordinated Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation; (F) are assigned (or maintain) the same or higher solicited credit ratings as were assigned to the Subordinated Notes immediately prior to such variation or substitution, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*); and (G) other than in respect of the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*), have terms not materially less favourable to a holder of the Subordinated Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing which is independent of the Group, than the terms of the Subordinated Notes; and

(ii) are listed on a recognised stock exchange if the Subordinated Notes were listed immediately prior to such variation or substitution;

"**Rate of Interest**" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

"**Redemption Amount**" means, as appropriate, the Final Redemption Amount, the Early Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put) or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms;

"**Reference Price**" has the meaning given in the relevant Final Terms;

"**Reference Rate**" has the meaning given in the relevant Final Terms;

"**Reference Rate Multiplier**" has the meaning given in the relevant Final Terms;

"**Register**" means the register maintained by the Registrar in respect of Registered Notes in accordance with the Agency Agreement for the English Law Notes in Physical Form;

"**Registered Holder**" means the person in whose name a Registered Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof);

"**Registered Note**" means a Note in registered form;

"**Regular Period**" means:

(i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

(ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and

(iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

"**Regulatory Event**" means a change (or pending change which the Relevant Authority considers to be sufficiently certain) in the regulatory classification of the Subordinated Notes from the classification as of the Issue Date that results, or would be likely to result, in their exclusion in whole or, to the extent permitted by the Applicable Banking Regulations, in part from Tier 2 Capital of the Issuer or the Group, where applicable in accordance with the Applicable Banking Regulations, a reclassification as a lower quality form of Own Funds (save where the exclusion from Tier 2 Capital of the Issuer is solely (A) a result of any applicable limitation on the amount of such capital, or (B) in accordance with any requirement that recognition of such Series of Subordinated Notes as part of the Tier 2 Capital of the Issuer be amortised in the five years prior to maturity of such Notes, in either (A) or (B) in accordance with Applicable Banking Regulations in force as at the date on which agreement is reached to issue the first Tranche of such Series of Subordinated Notes) and, in case the Regulatory Event has occurred before five years from the issue of the relevant Subordinated Notes, both of the following conditions are met: (i) the Competent Authority considers such a change to be sufficiently certain and (ii) the Issuer demonstrates to the satisfaction of the Competent Authority that the change in regulatory classification of the Notes was not reasonably foreseeable as at the Issue Date;

"**Relevant Authority**" means (i) in respect of Italy, the European Central Bank, the Bank of Italy, or any successor authority having responsibility for the prudential supervision of the Issuer or the Group within the framework of the Single Supervisory Mechanism set out under Council Regulation (EU) No. 1024/2013 ("**SSM**") and in accordance with the Applicable Banking Regulations and/or, as the context may require, the Italian resolution authority, the Single Resolution Board established pursuant to the SRM Regulation, and/or any other authority in Italy or in the European Union entitled to exercise or participate in the exercise of the Italian Bail-in Power or having primary responsibility for the prudential oversight and supervision of Intesa Sanpaolo from time to time; (ii) in respect of Ireland, the Central Bank of Ireland and/or any other authority in Ireland or in the European Union entitled to exercise or participate in the exercise of the Irish Bail-in Power from time to time; and (iii) in respect of Luxembourg, the *Commission de Surveillance du Secteur Financier*, acting in its capacity as resolution authority within the meaning of Article 3(1) of the BRRD, the Single Resolution Board established pursuant to the SRM Regulation, and/or any other authority in Luxembourg or in the European Union entitled to exercise or participate in the exercise of the Luxembourg Bail-in Power from time to time;

"**Relevant Date**" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Principal Paying Agent on or prior to

such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"**Relevant Financial Centre**" has the meaning given in the relevant Final Terms;

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable): (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof;

"**Relevant Screen Page**" means the page, section or other part of a particular information service (including, without limitation, the Reuter Monitor Money Rates Service and the Moneyline Telerate Service) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"**Relevant Time**" has the meaning given in the relevant Final Terms;

"**Renminbi Calculation Agent**" means the person specified in the relevant Final Terms as the party responsible for calculating the Spot Rate (as defined in Condition 11(q) (*Inconvertibility, Non-transferability or Illiquidity*)) and/or such other amount(s) as may be specified in the relevant Final Terms;

"**Reserved Matter**" has the meaning ascribed thereto in the Trust Deed;

"**Reset Date**" has the meaning given in the relevant Final Terms;

"**Specified Currency**" has the meaning given in the relevant Final Terms;

"**Specified Denomination(s)**" has the meaning given in the relevant Final Terms;

"**Specified Office**" has the meaning given in the Trust Deed;

"**Specified Period**" has the meaning given in the relevant Final Terms;

"**SRM Regulation**" means Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Supervisory Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

"S**RM II Regulation**" means Regulation (EU) No. 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 806/2014 as regards the loss absorbing and recapitalisation capacity of credit institutions and investment firms.

"**Successor Rate**" means the reference rate (and related alternative screen page or source, if available) that the Independent Adviser (with the Issuer's agreement) determines is a successor to or replacement of the relevant Reference Rate which is formally recommended by any Relevant Nominating Body;

"**Switch Option**" means, if Change of Interest Basis and Issuer's Switch Option are specified as applicable in the applicable Final Terms, the option of the Issuer, at its sole absolute discretion, on one or more occasions and subject to the provisions of Condition 7(l) (*Change of Interest Basis*), to change the Interest Basis of the Notes from Fixed Rate to Floating Rate, to Floating Rate to Fixed Rate or as

otherwise specified in the applicable Final Terms, with effect from (and including) the Switch Option Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date;

"**Talon**" means a talon for further Coupons;

"**T2**" means the real time gross settlement system operated by the Eurosystem or any successor system;

"**TARGET Settlement Day**" means any day on which T2 is open;

"**Tier 2 Capital**" has the meaning given to it from time to time in the Applicable Banking Regulations;

"**Tier 2 Instruments**" means at any time tier 2 instruments as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Treaty**" means the Treaty establishing the European Union, as amended;

"**Yield**" means the yield specified in the Final Terms, as calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield; and

"**Zero Coupon Note**" means a Note specified as such in the relevant Final Terms.

(b) *Interpretation*: In these Conditions:

(i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;

(ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;

(iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;

(iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 12 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;

(v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 12 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;

(vi) references to Notes being "**outstanding**" shall be construed in accordance with the Trust Deed;

(vii) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "**not applicable**" then such expression is not applicable to the Notes; and

(viii) any reference in these Conditions to any legislation (whether primary legislation or regulations or other subsidiary legislation is made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

3. **Form, Denomination and Title**

The Notes will be issued as Bearer Notes or Registered Notes, as specified in the relevant Final Terms.

(a) *Notes in Bearer Form*: Bearer Notes are issued in the Specified Denomination(s) with Coupons (if applicable) and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.

(b) *Title to Bearer Notes:* Title to Notes and Coupons will pass by delivery.

(c) *Minimum Denomination:* The minimum denomination per Note will be €100,000, save that (i) the minimum denomination of each Senior Non-Preferred Note will be €150,000 (or, if the Senior Non-Preferred Notes are denominated in a Specified Currency other than Euro, the equivalent amount in such Specified Currency); and (ii) the minimum denomination of each Subordinated Note will be €200,000 (or, if the Subordinated Notes are denominated in a in a Specified Currency other than Euro, the equivalent amount in such other Specified Currency).

(d) *Notes in Registered Form*: Registered Notes are issued in the Specified Denominations and may be held in holdings equal to the Specified Minimum Amount (specified in the relevant Final Terms) and integral multiples equal to the Specified Increments (specified in the relevant Final Terms) in excess thereof (an "**Authorised Holding**").

(e) *Title to Registered Notes:* The Registrar will maintain the Register in accordance with the provisions of the Agency Agreement for the English Law Notes in Physical Form. A Note Certificate will be issued to each Registered Holder in respect of its holding of Notes. With respect to Notes issued by Intesa Luxembourg, each time the Register is amended or updated, the Registrar shall send a copy of the Register to Intesa Luxembourg. With respect to Notes issued by INSPIRE, upon entry into of this Agreement and each time the Register is amended or updated, the Registrar shall send a copy of the Register to INSPIRE who will keep an updated copy, the INSPIRE Duplicate Register. In the event of inconsistency between the Register and the INSPIRE Duplicate Register, the INSPIRE Duplicate Register shall, for the purposes of Irish law, prevail. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register.

(f) *Ownership:* The Holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or, in the case of Registered Notes, on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

(g) *Transfer of Registered Notes:* Subject to Conditions 3(j) (*Closed periods)* and 3(k) (*Regulations concerning transfers and registration)* below, a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; *provided, however, that* a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a Holder are being transferred) the principal amount of the balance of Notes not transferred are Authorised Holdings. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.

(h) *Registration and delivery of Note Certificates*: Within five business days of the surrender of a Note Certificate in accordance with Condition 3(g) (*Transfer of Registered Notes*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes transferred to each Registered Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Registered Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such Registered Holder. In this Condition 3(h), "**business day**" means a day on which commercial banks are open for business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

(i) *No charge*: The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer, the Guarantor (if applicable), the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(j) *Closed periods*: Registered Holders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes.

(k) *Regulations concerning transfers and registration*: All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Agency Agreement for the English Law Notes in Physical Form. The regulations may be changed by the Issuer and the Guarantor (if applicable) with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Registered Holder who requests in writing a copy of such regulations.

4. **Status of the Notes**

(a) **Status – Senior Preferred Notes**

*This Condition 4(a) is applicable in relation to Senior Preferred Notes and specified in the Final Terms as being Senior Preferred Notes (and, for the avoidance of doubt, does not apply to Non-Preferred Senior Preferred Notes) ("**Senior Preferred Notes**").*

The Senior Preferred Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* and rateably without any preference among themselves and (subject to any obligations preferred by any applicable law) equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future (other than obligations ranking, in accordance with their terms and/or by provision of law, junior to the Senior Preferred Notes from time to time (including Senior Non-Preferred Notes and any further obligations permitted by law to rank junior to the Senior Preferred Notes following the Issue Date)) if any.

Each holder of a Senior Preferred Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Senior Preferred Note.

(b) **Status – Senior Non-Preferred Notes issued by Intesa Sanpaolo**

*This Condition 4(b) is applicable only to Senior Non-Preferred Notes issued by Intesa Sanpaolo specified in the applicable Final Terms as Non-Preferred Senior obligations and intended to qualify as "strumenti di debito chirografario di secondo livello" of Intesa Sanpaolo, as defined under Article 12 bis of the Consolidated Banking Act, as amended from time to time ("**Senior Non-Preferred Notes**").*

The obligations of Intesa Sanpaolo under the Senior Non-Preferred Notes (notes intending to qualify as *strumenti di debito chirografario di secondo livello* of Intesa Sanpaolo, as defined under, and for the purposes of, Article 12-*bis* and Article 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Act and any relevant implementing regulation which may be enacted for such purposes by any Relevant Authority) in respect of principal, interest and other amounts constitute direct, unconditional, unsubordinated, unsecured and non-preferred obligations of Intesa Sanpaolo, ranking:

(i) junior to Senior Preferred Notes and any other unsecured and unsubordinated obligations of Intesa Sanpaolo which rank, or are expressed to rank by their terms and/or by provision of law, senior to the Senior Non-Preferred Notes, including claims arising from the excluded liabilities within the meaning of Article 72a(2) of the CRR;

(ii) *pari passu* without any preferences among themselves, and with all other present or future obligations of Intesa Sanpaolo which do not rank or are not expressed by their terms to rank junior or senior to the relevant Senior Non-Preferred Notes; and

(iii) in priority to any subordinated instruments and to the claims of shareholders of Intesa Sanpaolo,

pursuant to Article 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Act, as amended from time to time, and any relevant implementing regulation which may be enacted for such purposes by any Relevant Authority.

Each holder of a Senior Non-Preferred Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Senior Non-Preferred Note.

(c) **Status – Subordinated Notes issued by Intesa Sanpaolo**

*This Condition 4(c) is applicable only in relation to Subordinated Notes issued by Intesa Sanpaolo and specified in the Final Terms as being subordinated and intended to qualify as Tier 2 Capital ("**Subordinated Notes**").*

(i) ***Status of Subordinated Notes***

The Subordinated Notes (notes intended to qualify as Tier 2 Capital for regulatory capital purposes, in accordance with Part II, Chapter 1 of the Bank of Italy's *Disposizioni di Vigilanza per le Banche*, as set out in Circular No. 285, including any successor regulations, and Article 63 of the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms) constitute direct, unconditional, unsecured and subordinated obligations of Intesa Sanpaolo and rank *pari passu* without any preference among themselves. Save as provided in Condition 4(c)(ii) (*Status of disqualified Subordinated Notes*), in the event of compulsory winding-up (*liquidazione coatta amministrativa*) pursuant to Articles 80 and following of Legislative Decree of 1 September 1993, No. 385 of the Republic of Italy as amended (the "**Consolidated Banking Act**") or voluntary winding-up (*liquidazione volontaria*) in accordance with Article 96-*quinquies* of the Consolidated Banking Act, for so long as the relevant Series of Subordinated Notes qualify, in whole or in part, as Tier 2 Capital, the payment obligations of Intesa Sanpaolo in respect of principal and interest under the Subordinated Notes will (A) be subordinated to the claims of the Intesa Sanpaolo Senior Creditors (as defined below); (B) rank *pari passu* with Parity Creditors and (C) rank in priority to the claims of shareholders of the Issuer and to the claims of creditors of the Issuer holding instruments that are more subordinated than the Subordinated Notes (including the holders of notes which qualify as Additional Tier 1 Capital, if any).

"**Intesa Sanpaolo Senior Creditors**" means creditors of Intesa Sanpaolo whose claims are admitted to proof in the winding up of Intesa Sanpaolo and who are either (a) unsubordinated creditors of Intesa Sanpaolo (including depositors and any holder of Senior Notes, Senior Non-Preferred Notes and their respective Coupons) or (b) creditors of Intesa Sanpaolo whose claims against Intesa Sanpaolo are, or are expressed to be, subordinated in the event of the winding up of Intesa Sanpaolo but senior to the Subordinated Notes (including any subordinated instruments that have ceased to qualify, in their entirety, as own fund items (*elementi di fondi propri*)).

"**Parity Creditors**" means creditors of Intesa Sanpaolo (including, without limitation, the Subordinated Noteholders, and the Subordinated Couponholders) whose claims against Intesa Sanpaolo are, or are expressed to be, subordinated in the event of the winding up of Intesa Sanpaolo in any manner to the claims of any unsecured and unsubordinated creditor of Intesa Sanpaolo, but excluding those subordinated creditors of Intesa Sanpaolo (if any) whose claims rank, or are expressed to rank, junior or senior to the claims of the Subordinated Noteholders and Subordinated Couponholders and/or to the claims of any other creditors of Intesa Sanpaolo whose claims rank, or are expressed to rank, *pari passu* with the claims of the Subordinated Noteholders and Subordinated Couponholders or with whose claims the claims of the Subordinated Noteholders and Subordinated Couponholders rank, or are expressed to rank, *pari passu*, including holders of present or future subordinated instruments which qualify, in whole or in part, as Tier 2 Capital of the Issuer.

(ii) ***Status of disqualified Subordinated Notes***

If the relevant Series of Subordinated Notes do not qualify (or cease to qualify) in their entirety as own funds items (*elementi di fondi propri*), such Subordinated Notes will rank *pari passu* without any preference among themselves and: (A) at least *pari passu* with the Issuer's

obligations in respect of any other subordinated instruments that have ceased to qualify, in their entirety, as own funds items (*elementi di fondi propri*) and with all other subordinated indebtedness of the Issuer that have such ranking; (B) in priority to payments to holders of present or future outstanding indebtedness which qualifies, in whole or in part, as own funds items (*elementi di fondi propri*), including Additional Tier 1 Capital and Tier 2 Capital; and (C) junior in right of payment to the payment of any present or future claims of depositors of the Issuer and any other unsubordinated creditors of the Issuer (including Senior Notes and Senior Non-Preferred Notes).

(iii) ***Loss Absorption***

The Subordinated Notes (including, for the avoidance of doubt, payments of principal and/or interest) shall be subject to the Loss Absorption Requirement, if so required under the BRRD and/or the SRM Regulation, in accordance with the powers of the Relevant Authority and where the Relevant Authority determines that the application of the Loss Absorption Requirement to the Subordinated Notes is necessary pursuant to applicable law and/or regulation in force from time to time.

(iv) ***Set-Off***

Neither any Subordinated Noteholder or Subordinated Couponholder nor the Trustee may exercise or claim any right of set-off in respect of any amount owed to it by Intesa Sanpaolo arising under or in connection with the Subordinated Notes or Subordinated Coupons and each Subordinated Noteholder, and Subordinated Couponholder shall, by virtue of his subscription, purchase or holding of any Subordinated Note or Subordinated Coupon, be deemed to have waived all such rights of set-off.

(d) **No Negative Pledge**

There is no negative pledge in respect of the Notes.

5. **Status of the Guarantee**

This Condition 5 is applicable in relation to Notes if the Notes are specified in the applicable Final Terms as having the benefit of the Guarantee of the Notes and upon the entering into of a Deed of Guarantee.

The obligations of the Guarantor under the Guarantee of the Notes (if stated as applicable in the relevant Final Terms and upon the entering into of a Deed of Guarantee) constitute direct, general, unconditional and unsecured obligations of the Guarantor and rank equally (subject to any obligation preferred by any applicable law) with all other unsecured and unsubordinated indebtedness and monetary obligations of the Guarantor (present and future).

6. **Fixed Rate Note Provisions**

(a) *Application*: This Condition 6 is applicable to the Notes (a) if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable; and (b) if the Fixed-Floating Rate Note Provisions or the Floating-Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable, in respect of those Interest Periods for which the Fixed Rate Note Provisions are stated to apply.

(b) *Accrual of interest*: The Notes bear interest from, and including, the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6 (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or, as the case may be, the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent

that there is any subsequent default in payment). As specified in the relevant Final Terms, interest from such Notes may accrue on a different basis from that set out in this Condition 6.

(c) *Fixed Coupon Amount*: The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount.

(d) *Calculation of interest amount*: The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount by multiplying the product of the Rate of Interest for such Interest Period and the Calculation Amount by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose, a "**sub-unit**" means, in the case of any currency other than euro and Renminbi, the lowest amount of such currency that is available as legal tender in the country of such currency, in the case of euro, means one cent and, in the case of Renminbi, means CNY 0.01. Where the Specified Denomination of a Fixed Rate Note is the multiple of the Calculation Amount, the Amount of interest payable in respect of such Fixed Rate Note shall be the multiple of the product of the amounts (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

6B. Reset Note Provisions

(a) *Rates of Interest and Interest Payment Dates*: Each Reset Note bears interest:

(i) from (and including) the Interest Commencement Date until (but excluding) the First Reset Date at the Initial Rate of Interest;

(ii) from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the relevant Final Terms, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and;

(iii) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest,

payable, in each case, in arrear on each Interest Payment Date and on the Maturity Date if that does not fall on an Interest Payment Date. The Rate of Interest and the Interest Amount payable shall be determined by the Calculation Agent, (i) in the case of the Rate of Interest, at or as soon as practicable after each time at which the Rate of Interest is to be determined, subject to Condition 7(j) (*Benchmark Rate Replacement*), below, and (ii) in the case of the Interest Amount in accordance with the provisions for calculating amounts of interest in Condition 6 (*Fixed Rate Note Provisions*). Unless otherwise stated in the applicable Final Terms the Rate of Interest (inclusive of the First or Subsequent Margin) shall not be deemed to be less than zero.

For the purposes of the Conditions:

"**First Margin**" means the margin specified as such in the applicable Final Terms;

"**First Reset Date**" means the date specified in the applicable Final Terms;

"**First Reset Period**" means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the Maturity Date;

"**First Reset Rate of Interest**" means, in respect of the First Reset Period and subject to Condition 6B(b) (*Fallbacks*), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the First Margin (with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be made by the Calculation Agent));

"**Initial Rate of Interest**" has the meaning specified in the applicable Final Terms;

"**Interest Commencement Date**" means the date specified as such in the applicable Final Terms;

"**Mid-Market Swap Rate**" means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (as specified in the Form of Final Terms) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

"**Mid-Market Swap Rate Quotation**" means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

"**Mid-Swap Floating Leg Benchmark Rate**" means EURIBOR if the Specified Currency is euro;

"**Mid-Swap Rate**" means, in relation to a Reset Determination Date and subject to Condition 6B(b) (*Fallbacks*), either:

(i) if Single Mid-Swap Rate is specified in the Form of Final Terms, the rate for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

(ii) if Mean Mid-Swap Rate is specified in the applicable Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

"**Rate of Interest**" means the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

"**Reset Date**" means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable);

"**Reset Determination Date**" means, in respect of the First Reset Period, the second Business Day prior to the First Reset Date, in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Reset Date and, in respect of each Subsequent Reset Period thereafter, the second Business Day prior to the first day of each such Subsequent Reset Period;

"**Reset Period**" means the First Reset Period or a Subsequent Reset Period, as the case may be;

"**Second Reset Date**" means the date specified in the Form of Final Terms;

"**Subsequent Margin**" means the margin specified as such in the Form of Final Terms;

"**Subsequent Reset Date**" means the date or dates specified in the Form of Final Terms;

"**Subsequent Reset Period**" means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date; and

"**Subsequent Reset Rate of Interest**" means, in respect of any Subsequent Reset Period and subject to Condition 6B(b) (Fallbacks), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the relevant Subsequent Margin (with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be made by the Calculation Agent)).

(b) *Fallbacks*

If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Issuer shall, subject as provided in Condition 7(j) (*Benchmark Rate Replacement*), request each of the Reference Banks (as defined below) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

For the purposes of this Condition 6B(b) "**Reference Banks**" means the principal office in the principal financial centre of the Specified Currency of four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer on the advice of an investment bank of international repute.

7. **Floating Rate Note and Benchmark Replacement**

(a) *Application*: This Condition 7 is applicable to the Notes only if (a) the Floating Rate Note Provisions, CMS Linked Interest Notes or the Inflation-Linked Note Provisions are specified in the relevant Final Terms as being applicable; and (b) if the Fixed-Floating Rate Note Provisions or the Floating-Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable, in respect of those Interest Periods for which the Floating Rate Note Provisions are stated to apply. In addition, Condition 7(j) (*Benchmark Discontinuation*) is applicable to the Notes if the Reset Note Provisions are specified in the relevant Final Terms as being applicable.

The applicable Final Terms contain provisions applicable to the determination of the interest and must be read in conjunction with this Condition 7 for full information on the manner in which interest is calculated.

(b) *Accrual of interest*: The Notes bear interest from, and including, the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 11 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 7(b) (both before and

after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or, as the case may be, the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment). As specified in the relevant Final Terms, interest from such Notes may accrue on a different basis from that set out in this Condition 7.

(c) *Screen Rate Determination*: Other than in respect of Notes for which SONIA, SOFR, €STR, SARON and/or CMS and/or any related index is specified as the Reference Rate in the relevant Final Terms, if Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis, subject to Condition 7(j) (Benchmark Replacement) below:

(i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(iii) if, on the Interest Determination Date the Calculation Agent determines that the Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, Reference Rate shall be the Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors)

and the Rate of Interest for such Interest Period shall be:

(i) if "Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined (the "**Determined Rate**");

(ii) if "**Multiplier**" is specified in the relevant Final Terms as being applicable the sum of (i) the Margin and (ii) the relevant Determined Rate multiplied by the Multiplier;

(iii) if "**Reference Rate Multiplier**" is specified in the relevant Final Terms as being applicable, the sum of (i) the Margin, and (ii) the relevant Determined Rate multiplied by the Reference Rate Multiplier,

provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or, as the case may be, the arithmetic mean last determined in relation to the Notes in respect of the immediately preceding Interest Period for which such rate or arithmetic mean was determined.

(d) *Floating Rate Notes which are CMS Linked Interest Notes*: Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be calculated as it follows, subject to Condition 7(j) (*Benchmark Replacement*) below:

(i) where "**CMS Reference Rate**" is specified as the Reference Rate in the applicable Final Terms, determined by the Calculation Agent by reference to the following formula:

CMS Rate + Margin

(ii) where "**Leveraged CMS Reference Rate**" is specified as the Reference Rate in the applicable Final Terms, determined by the Calculation Agent by reference to the following formula:

Either:

(a) L x CMS Rate + M

(b) Min [max (L x CMS Rate + M; F); C]

(iii) where "**Steepener CMS Reference Rate**" is specified as the Reference Rate in the applicable Final Terms, determined by the Calculation Agent by reference to the following formula:

Either:

(a) where "**Steepener CMS Reference Rate: Unleveraged**" is specified in the applicable Final Terms:

Min {[max (CMS Rate 1 – CMS Rate 2) + M; F]; C}

or:

(b) where "**Steepener CMS Reference Rate: Leveraged**" is specified in the applicable Final Terms:

Min {[max [L x (CMS Rate 1 – CMS Rate 2) + M; F]; C}

where:

C = Cap (if applicable)

F = Floor

L = Leverage

M= Margin

For the purposes of sub-paragraph (y):

"**CMS Rate**" shall mean the applicable swap rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page as at the specified time on the Interest Determination Date in question, all as determined by the Calculation Agent. The Agency Agreement for the English Law Notes in Physical Form contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available; and

"**Cap**", "**CMS Rate 1**", "**CMS Rate 2**", "**Floor**", "**Leverage**" and "**Margin**" shall have the meanings given to those terms in the applicable Final Terms.

If, on the Interest Determination Date the Calculation Agent determines that the Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, Reference Rate shall be the Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors)

and the Rate of Interest for such Interest Period shall be:

(i) if "Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined (the "**Determined Rate**");

(ii) if "**Multiplier**" is specified in the relevant Final Terms as being applicable the sum of (i) the Margin and (ii) the relevant Determined Rate multiplied by the Multiplier;

(iii) if "**Reference Rate Multiplier**" is specified in the relevant Final Terms as being applicable, the sum of (i) the Margin, and (ii) the relevant Determined Rate multiplied by the Reference Rate Multiplier,

provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or, as the case may be, the arithmetic mean last determined in relation to the Notes in respect of the immediately preceding Interest Period for which such rate or arithmetic mean was determined.

(e) *Interest – Floating Rate Notes referencing SONIA*

(i) This Condition 7(e) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable and the "Reference Rate" is specified in the relevant Final Terms as being "SONIA".

(ii) Where "SONIA" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent.

(iii) For the purposes of this Condition 7(e):

"**Compounded Daily SONIA**", with respect to an Interest Period, will be calculated by the Calculation Agent on each Interest Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_i \times n_i}{\mathrm{D}}\right)-1\right]\times\frac{\mathrm{D}}{d}$$

"**d**" means the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period; or

(iii) where if such number is not specified, 365;

"**D**" is the number specified in the relevant Final Terms (or, if no such number is specified, 365);

"$\mathbf{d_o}$" means the number of London Banking Days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**i**" means a series of whole numbers from one to d_o, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period,

to, and including, the last London Banking Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling p London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling p London Banking Days prior to such earlier date, if any, on which the Notes are due and payable).

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**n_i**" for any London Banking Day "i", in the relevant Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such London Banking Day "i" up to, but excluding, the following London Banking Day;

"Observation Period" means, in respect of an Interest Period, the period from, and including, the date falling "p" London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is p London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling p London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable), means the number of London Banking Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms which shall not be less than three London Banking days at any time and shall, unless otherwise agreed with the Calculation Agent (or such other person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest), be no less than five London Banking Days;

"**SONIA Reference Rate**" means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors) on the London Banking Day immediately following such London Banking Day; and

"**SONIA$_i$**" means the SONIA Reference Rate for:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms; the relevant London Banking Day "i";

For the avoidance of doubt, the formula for the calculation of Compounded Daily SONIA only compounds the SONIA Reference Rate in respect of any London Banking Day. The SONIA Reference Rate applied to a day that is a non-London Banking Day will be taken by applying the SONIA Reference Rate for the previous London Banking Day but without compounding.

(iv) If, in respect of any London Banking Day in the relevant Interest Period or Observation Period (as applicable), the Calculation Agent determines that the SONIA Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall, subject to Condition 7(j) (*Benchmark Replacement*), be:

(A) the sum of (a) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; and (b) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or

(B) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or, if this is more recent, the latest determined rate under paragraph (A) above.

(v) Subject to Condition 7(j) (*Benchmark Replacement*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 7(e), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period), in each case as determined by the Calculation Agent.

(f) *Interest – Floating Rate Notes referencing SOFR (Screen Rate Determination)*

(i) This Condition 7(f) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "SOFR".

(ii) Where "SOFR" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be the Benchmark plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.

(iii) For the purposes of this Condition 7(f):

"**Benchmark**" means Compounded SOFR, which is a compounded average of daily SOFR, as determined for each Interest Period in accordance with the specific formula and other provisions set out in this Condition 7(f).

Daily SOFR rates will not be published in respect of any day that is not a U.S. Government Securities Business Day, such as a Saturday, Sunday or holiday. For this reason, in determining Compounded SOFR in accordance with the specific formula and other provisions set forth herein, the daily SOFR rate for any U.S. Government Securities Business Day that immediately precedes one or more days that are not U.S. Government Securities Business Days will be multiplied by the number of calendar days from and including such U.S. Government Securities Business Day to, but excluding, the following U.S. Government Securities Business Day.

If the Issuers determine that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of Compounded SOFR (or the daily SOFR used

in the calculation hereof) prior to the relevant SOFR Determination Time, then the provisions under Condition 7(f)(iv) below will apply.

"**Compounded SOFR**" with respect to any Interest Period, means the rate of return of a daily compound interest investment computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \times n_i}{\mathrm{D}}\right)-1\right]\times\frac{\mathrm{D}}{d}$$

"**d**" is the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period.

"**D**" is the number specified in the relevant Final Terms (or, if no such number is specified, 360);

"**d_o**" is the number of U.S. Government Securities Business Days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period.

"**i**" is a series of whole numbers from one to d_o, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period,

to and including the last U.S. Government Securities Business Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes are due and payable);

"**ni**" for any U.S. Government Securities Business Day "i" in the relevant Interest Period or Observation Period (as applicable), is the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("**i+1**");

"**Observation Period**" in respect of an Interest Period means the period from, and including, the date falling "p" U.S. Government Securities Business Days preceding the first day in such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date falling "p" U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable) means the number of U.S. Government Securities Business Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms which shall not be less than three U.S. Government Securities Business days at any time and shall, unless otherwise agreed with the Calculation Agent (or such other person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest), be no less than five U.S. Government Securities Business Days;

"**SOFR**" with respect to any U.S. Government Securities Business Day, means:

(i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or

(ii) Subject to Condition 7(f)(iv) below, if the rate specified in (i) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, or any successor source;

"**SOFRi**" means the SOFR for:

(i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant U.S. Government Securities Business Day "i"; and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(iv) If the Issuer determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Noteholders.

Any determination, decision or election that may be made by the Issuer pursuant to this section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

(i) will be conclusive and binding absent manifest error;

(ii) will be made in the sole discretion of the Issuer; and

(iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

"**Benchmark**" means, initially, Compounded SOFR, as such term is defined above; provided that if the Issuer determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then "Benchmark" shall mean the applicable Benchmark Replacement.

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

(i) the sum of: (A) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (B) the Benchmark Replacement Adjustment;

(ii) the sum of: (A) the ISDA Fallback Rate and (B) the Benchmark Replacement Adjustment; or

(iii) the sum of: (A) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (B) the Benchmark Replacement Adjustment;

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

(i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuers decide may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuers decide that adoption of any portion of such market practice is not administratively feasible or if the Issuers determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issue determine is reasonably necessary);

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(i) in the case of sub-paragraph (a), (b) or (c) of the definition of "Benchmark Transition Event" below, the later of (a) the date of the public statement or publication of

information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(ii) in the case of sub-paragraph (d), (e) or (f) of the definition of "Benchmark Transition Event" below, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(a) the Benchmark has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(b) a public statement by the administrator of the Benchmark that it has ceased, or will cease, publishing such Benchmark permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Benchmark); or

(c) a public statement by the supervisor of the administrator of the Benchmark that such Benchmark has been or will be permanently or indefinitely discontinued; or

(d) a public statement by the supervisor of the administrator of the Benchmark (as applicable) that means that such Benchmark will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(e) a public statement by the supervisor of the administrator of the Benchmark that, in the view of such supervisor, such Benchmark is no longer representative of an underlying market; or

(f) it has or will become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Benchmark (as applicable) (including, without limitation, under the BMR, if applicable).

Unless otherwise specified in the relevant Final Terms, the change of the Benchmark methodology does not constitute a Benchmark Transition Event. In the event of a change in the formula and/or (mathematical or other) methodology used to measure the Relevant Benchmark, reference shall be made to the Benchmark based on the formula and/or methodology as changed.

"**BMR**" means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014 as amended or replaced from time to time;

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the 2006 ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the 2006 ISDA Definitions to be effective upon the occurrence of an index

cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Reference Time**" with respect to any determination of the Benchmark means (i) if the Benchmark is Compounded SOFR, the SOFR Determination Time, and (ii) if the Benchmark is not Compounded SOFR, the time determined by the Issuer after giving effect to the Benchmark Replacement Conforming Changes;

"**Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(v) Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under Condition 7(f)(iv) above will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 19 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Trustee of the same, the Issuer shall deliver to the Trustee, the Calculation Agent and the Paying Agents a certificate signed by two authorised signatories of the Issuer:

(A) confirming (x) that a Benchmark Transition Event has occurred, (y) the relevant Benchmark Replacement and, (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 7(f); and

(B) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.

(vi) For the avoidance of doubt, no consent of the Noteholders shall be required for a variation (as applicable) of the Notes in accordance with Condition 7(f)(iv) above and the Trustee, the Calculation Agent and the Paying Agents shall, at the direction and expense of the Issuer, but subject to receipt by the Trustee, the Calculation Agent and the Paying Agents of a certificate signed by two Authorised Signatories (as aforesaid), be obliged to concur with the Issuer in using its reasonable endeavours to effect any Benchmark Replacement Confirming Changes (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed and, if required, the Agency Agreement for the English Law Notes in Physical Form), provided it would not, in the Trustee's, Calculation Agent's and/or the Paying Agent's opinion, have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee, the Calculation Agent and the Paying Agent in the Trust Deed, the Agency Agreement for the English Law Notes in Physical Form and/or these Conditions.

(vii) If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 7(f), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest

Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(g) *Interest – Floating Rate Notes referencing €STR (Screen Rate Determination)*

(i) This Condition 7(g) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "**€STR**".

(ii) Where "**€STR**" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.

(iii) For the purposes of this Condition 7(g):

"**Compounded Daily €STR**" means, with respect to any Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{\text{€STR}_i \times n_i}{\text{D}}\right)-1\right]\times\frac{\text{D}}{d}$$

where:

"**d**" means the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**D**" means the number specified as such in the relevant Final Terms (or, if no such number is specified, 360);

"**d_o**" means the number of TARGET Settlement Days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

the "**€STR reference rate**", in respect of any TARGET Settlement Day, is a reference rate equal to the daily euro short-term rate ("**€STR**") for such TARGET Settlement Day as provided by the European Central Bank as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the TARGET Settlement Day immediately following such TARGET Settlement Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

"**€STR$_i$**" means the €STR reference rate for:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the TARGET Settlement Day falling "p" TARGET Settlement Days prior to the relevant TARGET Settlement Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant TARGET Settlement Day "i".

"**i**" is a series of whole numbers from one to "d_o", each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

to, and including, the last TARGET Settlement Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" TARGET Settlement Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" TARGET Settlement Days prior to such earlier date, if any, on which the Notes are due and payable);

"**n_i**" for any TARGET Settlement Day "i" in the relevant Interest Period or Observation Period (as applicable), means the number of calendar days from (and including) such TARGET Settlement Day "i" up to (but excluding) the following TARGET Settlement Day;

"**Observation Period**" means, in respect of any Interest Period, the period from (and including) the date falling "p" TARGET Settlement Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to (but excluding) the date falling "p" TARGET Settlement Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) such earlier date, if any, on which the Notes become due and payable; and

"**p**" for any latest Interest Period or Observation Period (as applicable), means the number of TARGET Settlement Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms or, if no such period is specified, five TARGET Settlement Days.

(iv) Subject to Condition 7(j) (*Benchmark Replacement*), if, where any Rate of Interest is to be calculated pursuant to Condition 7(g)(ii) above, in respect of any TARGET Settlement Day in respect of which an applicable €STR reference rate is required to be determined, such €STR reference rate is not made available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, then the €STR reference rate in respect of such TARGET Settlement Day shall be the €STR reference rate for the first preceding TARGET Settlement Day in respect of which €STR reference rate was published by the European Central Bank on its website.

(v) Subject to Condition 7(j) (*Benchmark Replacement*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 7(g), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and

excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(h) *Interest – Floating Rate Notes referencing SARON (Screen Rate Determination)*

(i) This Condition 7(h) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "**SARON**".

(ii) Where "**SARON**" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.

(iii) For the purposes of this Condition 7(h):

"**Compounded Daily SARON**" means, with respect to any Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{\text{SARON}_{i-\rho SIXBD}\ \times\ n_i}{360}\right)-1\right]\times\frac{360}{d}$$

"**d**" means the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**d_o**" means the number of SIX Business Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**i**" means a series of whole numbers from one to "do", each representing the relevant SIX Business Day in chronological order from, and including, the first SIX Business Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Remuneration Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling p SIX Business Day prior to the Interest Payment Date for such Remuneration Period (or the date falling p SIX Business Day prior to such earlier date, if any, on which the Securities are due and payable).

"**SIX Business Day**" or "**SIXBD**" means a day (other than a Saturday or Sunday) which is not marked as currency holiday for CHF in the Trading & Currency Holiday Calendar published by SIX Swiss Exchange;

"$\mathbf{n_i}$" for any SIX Business Day "i", in the relevant Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such SIX Business Day "i" up to, but excluding, the following SIX Business Day;

"**Observation Period**" means, in respect of an Interest Period, the period from, and including, the date falling "p" SIX Business Day prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is p SIX Business Day prior to the Interest Payment Date for such Interest Period (or the date falling p SIX Business Day prior to such earlier date, if any, on which the Securities become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable), means the number of SIX Business Day specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms, provided that "p" shall not be less than five SIX Business Days without prior written approval of the Principal Paying Agent;

"**SARON Reference Rate**" means, in respect of any SIX Business Day, a reference rate equal to the daily Swiss Average Rate Overnight ("SARON") rate for such SIX Business Day as provided by the administrator of SARON to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors) on the SIX Business Day immediately following such SIX Business Day; and

*"**SARONi**" means the SARON Reference Rate for:*

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the SIX Business Day falling "p" SIX Business Days prior to the relevant SIX Business Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms; the relevant SIX Business Day "i";

For the avoidance of doubt, the formula for the calculation of Compounded Daily SARON only compounds the SARON Reference Rate in respect of any SIX Business Day. The SARON Reference Rate applied to a day that is a non- SIX Business Day will be taken by applying the SARON Reference Rate for the previous SIX Business Day but without compounding.

If, in respect of any SIX Business Day in the relevant Interest Period or Observation Period (as applicable), the Issuer or an Independent Advisor on the Issuer's behalf determines that the SARON Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SARON Reference Rate shall, subject to subject to Security Condition 7(j) (*Benchmark Rate Replacement*), be the SARON Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding SIX Business Day on which the SARON Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors).

Subject to Condition 7(j) (*Benchmark Rate Replacement*), if the Rate of Interest Rate cannot be determined in accordance with the foregoing provisions of this Condition 7(h) the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to the Securities for the first Interest Period had the Securities

been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(i) *ISDA Determination*: If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be:

(i) if "Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the relevant ISDA Rate;

(ii) if "Multiplier" is specified in the relevant Final Terms as being applicable the sum of (i) the Margin and (ii) the relevant ISDA Rate multiplied by the Multiplier;

(iii) if "**Reference Rate Multiplier**" is specified in the relevant Final Terms as being applicable, the sum of (i) the Margin, and (ii) the relevant ISDA Rate multiplied by the Reference Rate Multiplier,

where "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;

(ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms;

(iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the Euro-zone interbank offered rate (EURIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Final Terms (provided that such Reset Date shall not be less than five Business days prior to the Interest Payment Date unless expressly agreed with the Calculation Agent (or such other person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest); and

(iv) if applicable, the "Applicable Benchmark", "Fixing Day", "Fixing Time" and/or any other items specified in the relevant Final Terms are as specified in the relevant Final Terms.

The definition of 'Fallback Observation Day' in the ISDA Definitions shall be deemed deleted in its entirety and replaced with the following: "Fallback Observation Day" means, in respect of a Reset Date and the Calculation Period (or any Compounding Period included in that Calculation Period) to which that Reset Date relates, unless otherwise agreed, the day that is five Business Days preceding the related Payment Date. If "2021 ISDA Definitions" is specified in the applicable Final Terms, then if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate.

Unless otherwise defined capitalised terms used in this Condition 7(i) shall have the meaning ascribed to them in the ISDA Definitions.

(j) *Benchmark Replacement*: Other than in the case of a U.S. dollar-denominated floating rate Note for which the Reference Rate is specified in the relevant Final Terms as being "SOFR", notwithstanding the foregoing provisions of this Condition 7, if the Issuer (or the person specified in the relevant Final

Terms as the party responsible for calculating the Rate of Interest and the Interest Amount(s))) determines that a Benchmark Event has occurred, when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to a Reference Rate, then the following provisions shall apply:

(i) the Issuer shall use reasonable endeavours to appoint an Independent Adviser for the determination (with the Issuer's agreement) of a Successor Rate or, alternatively, if the Independent Adviser and the Issuer agree that there is no Successor Rate, an alternative rate (the "**Alternative Benchmark Rate**") and will notify the Principal Paying Agent and Calculation Agent and, in either case, an alternative screen page or source (the "**Alternative Relevant Screen Page**") and an Adjustment Spread (if applicable) no later than ten (10) Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (the "**IA Determination Cut-off Date**") for purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods (as applicable) (subject to the subsequent operation of this Condition 7(j));

(ii) the Alternative Benchmark Rate shall be such rate as the Independent Adviser and the Issuer acting in good faith agree has replaced the relevant Reference Rate and notifies the Principal Paying Agent and the Calculation Agent in customary market usage for the purposes of determining floating rates of interest or reset rates of interest in respect of eurobonds denominated in the Specified Currency, or, if the Independent Adviser and the Issuer agree that there is no such rate, such other rate as the Independent Adviser and the Issuer acting in good faith agree is most comparable to the relevant Reference Rate, and the Alternative Relevant Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate;

(iii) if the Issuer is unable to appoint an Independent Adviser, or if the Independent Adviser and the Issuer cannot agree upon, or cannot select a Successor Rate or an Alternative Benchmark Rate and Alternative Relevant Screen Page prior to the IA Determination Cut-off Date in accordance with sub-paragraph (ii) above, then the Issuer (acting in good faith and in a commercially reasonable manner) may determine which (if any) rate has replaced the relevant Reference Rate in customary market usage for purposes of determining floating rates of interest or reset rates of interest in respect of eurobonds denominated in the Specified Currency, or, if it determines that there is no such rate, which (if any) rate is most comparable to the relevant Reference Rate, and the Alternative Benchmark Rate shall be the rate so determined by the Issuer and the Alternative Relevant Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate; *provided however that* if (a) this sub-paragraph (iii) applies and the Issuer is unable or unwilling to determine an Alternative Benchmark Rate and Alternative Relevant Screen Page the Issuers will notify the Principal Paying Agent and the Calculation Agent of such determination no later than (ten) 10 Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period in accordance with this sub-paragraph (iii), or (b) in case the provisions relating to the occurrence of a Regulatory Event in case of a Benchmark Event are specified as applicable in the relevant Final Terms or the provisions relating to the occurrence of an MREL Disqualification Event in case of a Benchmark Event is specified as applicable in the relevant Final Terms (as applicable), the provisions under this Condition 7(j) would cause the occurrence of a Regulatory Event or an MREL Disqualification Event (as applicable), or (c) in the case of Senior Preferred Notes or Senior Non-Preferred Notes only, the provisions under this Condition 7(j) would result in the Relevant Authority treating an Interest Payment Date as the effective maturity date of the Notes, rather than the relevant Maturity Date, ***then*** the Reference Rate applicable to such Interest Period shall be equal to the Reference Rate for a term equivalent to the Relevant Interest Period published on the Relevant Screen Page as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the margin relating to that last preceding Interest Period). For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period, and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 7(j). Notwithstanding any

other provision of this Condition 7(j), none of the Principal Paying Agent or the Calculation Agent shall be obliged to concur with the Issuer in respect of any Benchmark Amendments which, in the sole opinion of the Principal Paying Agent or the Calculation Agent (as applicable), would have the effect of increasing the obligations or duties, or decreasing the rights or protections, of the Calculation Agent or the Principal Paying Agent (as applicable) in the Principal Agency Agreement for the English Law Notes in Physical Form and/or these Conditions;

(iv) if a Successor Rate or an Alternative Benchmark Rate and an Alternative Relevant Screen Page is determined in accordance with the preceding provisions, such Successor Rate or Alternative Benchmark Rate and Alternative Relevant Screen Page shall be the benchmark and the Relevant Screen Page in relation to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 7(j));

(v) if the Issuer, following consultation with the Independent Adviser and acting in good faith, determines that (a) an Adjustment Spread is required to be applied to the Successor Rate or Alternative Benchmark Rate and (b) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or Alternative Benchmark Rate for each subsequent determination of a relevant Rate of Interest and Interest Amount(s) (or a component part thereof) by reference to such Successor Rate or Alternative Benchmark Rate;

(vi) if a Successor Rate or an Alternative Benchmark Rate and/or Adjustment Spread is determined in accordance with the above provisions, the Independent Adviser (with the Issuer's agreement) or the Issuer (as the case may be), may also specify amendments to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate or Alternative Benchmark Rate and/or Adjustment Spread, which amendments shall apply to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 7(j)); and

(vii) the Issuer shall promptly following the determination of any Successor Rate or Alternative Benchmark Rate and Alternative Relevant Screen Page and Adjustment Spread (if any) give notice thereof and of any changes pursuant to Condition 7(j)(vi) above to the Calculation Agent, the Principal Paying Agent, the Trustee and the Noteholders in accordance with Condition 19 (*Notices*). Prior to any amendment being effected under this Condition 7(j) due to a Benchmark Event (each, a "**Benchmark Amendment**") taking effect, the Issuer shall provide a certificate signed by two Authorised Signatories to the Trustee confirming, in the Issuer's reasonable opinion (following consultation with the Independent Adviser), (i) that a Benchmark Event has occurred, (ii) the Successor Rate or Alternative Reference Rate (as applicable), (iii) where applicable, any Adjustment Spread and (iv) where applicable, the terms of any Benchmark Amendments in each case determined in accordance with this Condition 7 that such Benchmark Amendments are necessary to give effect to any application of this Condition 7 and the Trustee shall be entitled to rely on such certificate without further enquiry or liability to any person. For the avoidance of doubt, the Trustee shall not be liable to the Noteholders, the Couponholders or any other person for so acting or relying on such certificate, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person. The Successor Rate or Alternative Benchmark Rate (as applicable) or where applicable, any Adjustment Spread and any Benchmark Amendments and without prejudice to the Trustee's ability to rely on such certificate (as aforesaid) will be binding on the Issuer, the Trustee, the Agents (or such other Calculation Agent specified in the applicable Final Terms), the other Paying Agents, the Noteholders and the Couponholders.

(viii) For the avoidance of doubt, no consent of the Noteholders shall be required for a variation (as applicable) of the Notes in accordance with Condition 7(j)(vi) above and the Trustee, the Calculation Agent and the Paying Agent shall, at the direction and expense of the Issuer, but subject to receipt by the Trustee, the Calculation Agent and the Paying Agents of a certificate

signed by two Authorised Signatories (as aforesaid), be obliged to concur with the Issuer in using its reasonable endeavours to effect any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed and, if required, the Agency Agreement for the English Law Notes in Physical Form), provided it would not, in the Trustee's, the Calculation Agent's and the Paying Agent's opinion, have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee, the Calculation Agent and the Paying Agents in the Trust Deed, the Agency Agreement for the English Law Notes in Physical Form and/or these Conditions.

(ix) Notwithstanding any other provision of this Condition 7(j), if in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 7(j), the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

(k) *Maximum or Minimum Rate of Interest*: If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

(l) *Change of Interest Basis:* If Change of Interest Basis is specified as applicable in the applicable Final Terms, the interest payable in respect of the Notes will be calculated in accordance with Condition 6 (*Fixed Rate Note Provisions*) or this Condition 7, each applicable only for the relevant periods specified in the applicable Final Terms.

If Change of Interest Basis is specified as applicable in the applicable Final Terms, and Issuer's Switch Option is also specified as applicable in the applicable Final Terms, the Issuer and the Guarantor (where applicable), may, on one or more occasions, as specified in the applicable Final Terms, at its option (any such option, a "**Switch Option**"), having given notice to the Noteholders in accordance with Condition 19 (*Notices*) on or prior to the relevant Switch Option Expiry Date, change the Interest Basis of the Notes from Fixed Rate to Floating Rate or Floating Rate to Fixed Rate or as otherwise specified in the applicable Final Terms with effect from (and including) the Switch Option Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date (or, where more than one Switch Option Effective Date is specified in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date), *provided that* (A) the Switch Option may be exercised only in respect of all the outstanding Notes, (B) upon exercise of a Switch Option, the Interest Basis change will be effective from (and including) the relevant Switch Option Effective Date until the Maturity Date (or, where more than one Switch Option Effective Date is specified as applicable in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date to the extent the related Switch Option is exercised), and (C) where a Switch Option has not been exercised prior to the relevant Switch Option Expiry Date, the Issuer and the Guarantor (where applicable) shall no longer be entitled to exercise such Switch Option and the Interest Basis shall not change.

"**Switch Option Expiry Date**" and "**Switch Option Effective Date**" shall mean any date specified as such in the applicable Final Terms *provided that* any date specified in the applicable Final Terms as a Switch Option Effective Date shall be deemed as such subject to the exercise of the relevant Switch Option having been notified to the Issuer pursuant to this Condition and in accordance with Condition 19 (*Notices*) prior to the relevant Switch Option Expiry Date.

(m) *Calculation of Interest Amount*: The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount of such Note during such Interest Period and multiplying the product by the relevant Day Count Fraction and

rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit rounded upwards). For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where the Specified Denomination of a Floating Rate Note or an Inflation-Linked Interest Note is the multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amounts (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

(n) *Calculation of other amounts*: If the relevant Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms.

(o) *Publication*: The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Issuer, the Guarantor (where applicable), the Trustee, the Paying Agents and each stock exchange (if any) on which the Notes are then listed as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders in accordance with Condition 19 (*Notices*). The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.

(p) *Notifications etc*: All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Guarantor (where applicable), the Trustee, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

8. **Inflation-Linked Note**

This Condition 8 is applicable to the Notes only if the Inflation-Linked Notes Provisions are specified in the relevant Final Terms as being applicable.

(a) **Inflation-Linked Note Provisions**

(i) **Rate of Interest – Inflation-Linked Notes**

The Rate of Interest payable from time to time in respect of [YoY] Inflation-Linked Notes, for each Interest Period, shall be determined by the Calculation Agent, or other party specified in the Final Terms, on the relevant Determination Date in accordance with the following formula:

Rate of Interest = [[Index Factor]*[YoY] Inflation] + Margin

subject to the Minimum Rate of Interest or the Maximum Rate of Interest if, in either case, designated as applicable in the applicable Final Terms in which case the provisions of Condition 7(k) (*Maximum or Minimum Rate of Interest*) above shall apply as appropriate.

Where:

"**Index Factor**" has the meaning given to it in the applicable Final Terms, *provided that* if Index Factor is specified as "**Not Applicable**", the Index Factor shall be deemed to be equal to one;

"**Inflation Index**" has the meaning given to it in the applicable Final Terms;

"**[YoY] Inflation**" means in respect of the Specified Interest Payment Date falling in month (t), the value calculated in accordance with the following formula:

"**Inflation Index (t)**" means the value of the Inflation Index for the Reference Month in the calendar year in which the relevant Specified Interest Payment Date and/or the Maturity Date falls;

"**Inflation Index (t-1)**" means the value of the Inflation Index for the Reference Month in the calendar year preceding the calendar year in which the relevant Specified Interest Payment Date falls;

"**Margin**" has the meaning given to it in the applicable Final Terms;

"**Reference Month**" has the meaning given to it in the applicable Final Terms; and

The Rate of Interest shall be rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.

(ii) **Redemption Amount – [YoY] Inflation-Linked Notes**

The Final Redemption Amount payable on the Maturity Date in respect of [YoY] Inflation-Linked Notes may be i) 100% of the Nominal Amount of the Notes or ii) (if so specified in the applicable Final Terms) a [YoY] Indexed Redemption Amount to be calculated on the [Maturity Date/ relevant Determination Date] on the basis of the following formula:

[[YoY] Indexed Redemption Amount = Nominal Amount x (Inflation Index (t)/Inflation Index (0))]

Where:

"**Inflation Index (t)**" means the value of the Inflation Index for the Reference Month in the calendar year in which the relevant Specified Interest Payment Date and/or the Maturity Date falls; and

"**Inflation Index (0)**" means the value of the Inflation Index for the Reference Month in the calendar year in which the relevant Issue Date falls.

The [YoY] Indexed Redemption Amount may be subject to a minimum or a maximum amount (if so specified in the applicable Final Terms) *provided that* under no circumstances shall the Final Redemption Amount be less than the Nominal Amount of the Notes.

(iii) **Inflation-Linked Note Provisions**

Unless previously redeemed or purchased and cancelled in accordance with this Condition 8 or as specified in the applicable Final Terms and subject to this Condition 8, each Inflation-Linked Note will bear interest in the manner specified in the applicable Final Terms and the Conditions.

The following provisions apply to Inflation-Linked Notes:

"**Additional Disruption Event**" means any of Change of Law, Hedging Disruption and/or Increased Cost of Hedging, in each case if specified in the applicable Final Terms, and such other events (if any) specified as an Additional Disruption Event in the applicable Final Terms.

"**Change of Law**" means that, on or after the Trade Date (as specified in the applicable Final Terms):

(A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or

(B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority),

the Calculation Agent determines in its discretion that (i) it has become illegal to hold, acquire or dispose of any relevant hedging arrangements in respect of the Inflation Index, (ii) any Hedging Party will incur a materially increased cost in performing its obligations in relation to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuer, any of its affiliates or any other Hedging Party), or (iii), if the Notes are Guaranteed Notes, the performance of the Guarantor under the Guarantee has become unlawful.

"**Cut-Off Date**" means, in respect of a Determination Date, five (5) Business Days prior to any due date for payment under the Notes for which valuation on the relevant Determination Date is relevant, unless otherwise stated in the applicable Final Terms.

"**Delayed Index Level Event**" means, in respect of any Determination Date and an Inflation Index, that the relevant Inflation Index Sponsor fails to publish or announce the level of such Inflation Index (the Relevant Level) in respect of any Reference Month which is to be utilised in any calculation or determination to be made by the Issuer in respect of such Determination Date, at any time on or prior to the Cut-Off Date.

"**Determination Date**" means each date specified as such in the applicable Final Terms.

"**End Date**" means each date specified as such in the applicable Final Terms.

"**Fallback Bond**" means, in respect of an Inflation Index, a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the relevant Inflation Index relates and which pays a coupon or redemption amount which is calculated by reference to such Inflation Index, with a maturity date which falls on (a) the End Date specified in the applicable Final Terms, (b) the next longest maturity after the End Date if there is no such bond maturing on the End Date, or (c) the next shortest maturity before the End Date if no bond defined in limb (a) or (b) above is selected by the Calculation Agent. If the relevant Inflation Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems, the Calculation Agent will select a new Fallback Bond on the same basis, but notwithstanding the immediately prior sentence, selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

"**Hedging Disruption**" means that any Hedging Party is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the relevant price risk of the Issuer (or the Guarantor (as appropriate)) issuing and performing its obligations with respect to the Notes, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s), as determined by the Calculation Agent.

"**Hedging Party**" means at any relevant time, the Issuer, or any of its affiliates or any other party providing the Issuer directly or indirectly with hedging arrangements in relation to the Notes as the Issuer may select at such time.

"**Increased Cost of Hedging**" means that any Hedging Party would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish,

substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, price risk, foreign exchange risk and interest rate risk) of the Issuer (or, if the Notes are Guaranteed Notes, the Guarantor (as appropriate)) issuing and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), *provided that* any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its affiliates shall not be deemed an Increased Cost of Hedging.

"**Inflation Index**" means each inflation index specified in the applicable Final Terms and related expressions shall be construed accordingly.

"**Inflation Index Sponsor**" means, in relation to an Inflation Index, the entity that publishes or announces (directly or through an agent) the level of such Inflation Index which, as of the Issue Date, is the Inflation Index Sponsor specified in the applicable Final Terms.

"**Reference Month**" means the calendar month for which the level of the Inflation Index is reported as specified in the applicable Final Terms, regardless of when this information is published or announced, except that if the period for which the Relevant Level was reported is a period other than a month, the Reference Month shall be the period for which the Relevant Level is reported.

"**Related Bond**" means, in respect of an Inflation Index, the bond specified as such in the applicable Final Terms. If the Related Bond specified in the applicable Final Terms is "Fallback Bond", then, for any Related Bond determination, the Calculation Agent shall use the Fallback Bond. If no bond is specified in the applicable Final Terms as the Related Bond and "Fallback Bond: Not Applicable" is specified in the applicable Final Terms, there will be no Related Bond. If a bond is specified as the Related Bond in the applicable Final Terms and that bond redeems or matures before the End Date (i) unless "Fallback Bond: Not Applicable" is specified in the applicable Final Terms, the Calculation Agent shall use the Fallback Bond for any Related Bond determination and (ii) if "Fallback Bond: Not Applicable" is specified in the applicable Final Terms, there will be no Related Bond.

"**Relevant Level**" has the meaning set out in the definition of "Delayed Index Level Event" above.

(iv) **Inflation Index Delay and Disruption Provisions**

(A) **Delay in Publication**

If the Calculation Agent determines that a Delayed Index Level Event in respect of an Inflation Index has occurred with respect to any Determination Date, then the Relevant Level for such Inflation Index with respect to the relevant Reference Month subject to such Delayed Index Level Event (the "**Substitute Index Level**") shall be determined by the Calculation Agent as follows:

(1) if "Related Bond" is specified as applicable for such Inflation Index in the relevant Final Terms, the Calculation Agent shall determine the Substitute Index Level by reference to the corresponding index level determined under the terms and conditions of the relevant Related Bond;

(2) if (I) "Related Bond" is not specified as applicable for such Inflation Index in the relevant Final Terms, or (II) the Calculation Agent is not able to determine a Substitute Index Level under Condition 8(a)(i) (*Rate of Interest – Inflation-Linked Notes*) above, the Calculation Agent shall determine the Substitute Index Level by reference to the following formula:

Substitute Index Level = Base Level x (Latest Level/Reference Level);

or

(3) otherwise in accordance with any formula specified in the relevant Final Terms,

in each case as of such Determination Date,

where:

"**Base Level**" means, in respect of an Inflation Index, the level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

"**Latest Level**" means, in respect of an Inflation Index, the latest level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index Sponsor prior to the month in respect of which the Substitute Index Level is being determined.

"**Reference Level**" means, in respect of an Inflation Index, the level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index Sponsor in respect of the month that is 12 calendar months prior to the month in respect of the Latest Level.

The Issuer shall give notice to Noteholders, in accordance with Condition 19 (*Notices*) of any Substitute Index Level calculated pursuant to Condition 8(a)(ii) (*Redemption Amount – [YoY] Inflation-Linked Notes*).

If the Relevant Level (as defined above) is published or announced at any time on or after the relevant Cut-off Date, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to this Condition 8 will be the definitive level for that Reference Month.

(B) **Cessation of Publication**

If the Calculation Agent determines that the level for the Inflation Index has not been published or announced for two (2) consecutive months, the Inflation Index Sponsor announces that it will no longer continue to publish or announce the Inflation Index or the Inflation Index Sponsor otherwise cancels the Inflation Index, then the Calculation Agent shall determine a successor inflation index (the "**Successor Inflation Index**") (in lieu of any previously applicable Inflation Index) for the purposes of the Inflation-Linked Notes by using the following methodology:

(1) if at any time (other than after an early redemption or cancellation event has been designated by the Calculation Agent pursuant to Condition 8(iv)(B)(5) below), a successor inflation index has been designated by the calculation agent (or equivalent) pursuant to the terms and conditions of the Related Bond, such successor inflation index shall be designated a "Successor Inflation Index" notwithstanding that any other Successor Inflation Index may previously have been determined under Conditions 8(iv)(B)(2), 8(iv)(B)(3) or 8(iv)(B)(4)below;

(2) if a Successor Inflation Index has not been determined pursuant to Condition 8(iv)(B)(1) above, and a notice has been given or an announcement has been made by the Inflation Index Sponsor, specifying that the Inflation Index will be superseded by a replacement Inflation Index specified by the Inflation Index Sponsor, and the Calculation Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Inflation Index, such replacement index shall be the Inflation Index for purposes of

the Inflation-Linked Notes from the date that such replacement Inflation Index comes into effect;

(3) if a Successor Inflation Index has not been determined pursuant to Conditions 8(iv)(B)(1) or 8(iv)(B)(2) above, the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Inflation Index should be. If four or five responses are received and, of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the "**Successor Inflation Index**". If three responses are received and two or more leading independent dealers state the same index, this index will be deemed the "Successor Inflation Index". If fewer than three responses are received or no Successor Inflation Index is determined pursuant to this Condition 8(iv)(B)(3), the Calculation Agent will proceed to Condition 8(iv)(B)(4) below;

(4) if no replacement index or Successor Inflation Index has been determined under Conditions 8(iv)(B)(1), 8(iv)(B)(2), 8(iv)(B)(3) above by the next occurring Cut-Off Date, the Calculation Agent, subject as provided below, will determine an appropriate alternative index from such Cut-Off Date, and such index will be deemed a "Successor Inflation Index"; or

(5) if the Calculation Agent determines that there is no appropriate alternative index in relation to Inflation-Linked Notes, on giving notice to Noteholders in accordance with Condition 19 (*Notices*), the Issuer shall redeem or cancel, as applicable all but not some only of the Inflation-Linked Notes, each Inflation-Linked Note being redeemed or cancelled, as applicable by payment of the relevant Early Redemption Amount. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 19 (*Notices*).

(C) **Rebasing of the Inflation Index**

If the Calculation Agent determines that the Inflation Index has been or will be rebased at any time, the Inflation Index as so rebased (the "**Rebased Index**") will be used for purposes of determining the level of the Inflation Index from the date of such rebasing; *provided, however, that* the Calculation Agent shall make adjustments as are made by the calculation agent (or equivalent) pursuant to the terms and conditions of the Related Bond, if "Related Bond" is specified as applicable in the applicable Final Terms, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Inflation Index before it was rebased, or, if "Related Bond" is not specified as applicable in the applicable Final Terms, the Calculation Agent shall make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Inflation Index before it was rebased.

(D) **Material Modification Prior to Last Occurring Cut-Off**

If, on or prior to the last occurring Cut-Off Date, the Inflation Index Sponsor announces that it will make a material change to the Inflation Index then the Calculation Agent shall make any such adjustments, if "Related Bond" is specified as applicable in the applicable Final Terms, consistent with adjustments made to the Related Bond, or, if "Related Bond" is not specified as applicable in the applicable Final Terms, only those adjustments to the Inflation Index necessary for the modified Inflation Index to continue as the Inflation Index.

(E) **Manifest Error in Publication**

With the exception of any corrections published after the day which is three (3) Business Days prior to the relevant Maturity Date, if, within thirty (30) calendar days

of publication, the Calculation Agent determines that the Inflation Index Sponsor has corrected the level of the Inflation Index to remedy a manifest error in its original publication, the Calculation Agent may, in its discretion, make such adjustments to the terms of the Inflation-Linked Notes as it determines appropriate to account for the correction and will notify the Noteholders of any such adjustments in accordance with Condition 19 (*Notices*).

(F) **Consequences of an Additional Disruption Event**

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may at its option:

(1) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any terms of the Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(2) redeem or cancel, as applicable, all but not some of the Inflation-Linked Notes on the date notified by the Calculation Agent to Noteholders in accordance with Condition 19 (*Notices*) by payment of the relevant Early Redemption Amount, as at the date of redemption or cancellation, as applicable, taking into account the relevant Additional Disruption Event. The redemption or cancellation referred to in this Condition 8(a)(iv) (*Inflation Index Delay and Disruption Provisions*) shall be subject to (i) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, Condition 10(o) (*Regulatory conditions for call, redemption, repayment, or repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*) and (ii) in the case of Subordinated Notes, Condition 10(n) (*Regulatory conditions for call, redemption, repayment, or repurchase or modification of Subordinated Notes*).

(G) **Inflation Index Disclaimer**

The Notes are not sponsored, endorsed, sold or promoted by the Inflation Index or the Inflation Index Sponsor and the Inflation Index Sponsor does not make any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Inflation Index and/or the levels at which the Inflation Index stands at any particular time on any particular date or otherwise. Neither the Inflation Index nor the Inflation Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Inflation Index and the Inflation Index Sponsor is under no obligation to advise any person of any error therein. The Inflation Index Sponsor is not making any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. Neither the Issuer nor, if the Notes are guaranteed Notes, the Guarantor shall have liability to the Noteholders for any act or failure to act by the Inflation Index Sponsor in connection with the calculation, adjustment or maintenance of the Inflation Index. Except as disclosed prior to the Issue Date specified in the applicable Final Terms, neither the Issuer nor, if the Notes are Guaranteed Notes, the Guarantor nor their affiliates has any affiliation with or control over the Inflation Index or the Inflation Index Sponsor or any control over the computation, composition or dissemination of the Inflation Index. Although the Calculation Agent will obtain information concerning the Inflation Index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer, if the Notes are Guaranteed Notes, the Guarantor, its, or as appropriate, their affiliates or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning the Inflation Index.

9. **Zero Coupon Note Provisions**

(a) *Application*: This Condition 9 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Late payment on Zero Coupon Notes*: If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven (7) days after the Principal Paying Agent or, as the case may be, the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

10. **Redemption and Purchase**

(a) *Scheduled redemption:* Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 11 (*Payments*).

Unless previously redeemed, or purchased, or cancelled, the Subordinated Notes will be redeemed in whole at their Final Redemption Amount on the Maturity Date, in the manner provided for in Condition 11 (*Payments*). The Subordinated Notes are not redeemable at the option of the Noteholders and the Issuer shall have the right to call, redeem, repay or repurchase the Subordinated Notes only in accordance with and subject to the conditions set out in Articles 77 and 78 of the CRR being met and not prior to five (5) years from their Issue Date, except where the conditions set out in Article 78 of the CRR are met (see Condition 10(b) (*Redemption for tax reasons*), Condition 10(c) (*Redemption at the option of the Issuer*), Condition 10(f) (*Redemption of Subordinated Notes for regulatory reasons (Regulatory Call)*), Condition 10(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*), Condition 10(k) (*Purchase*), Condition 10(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes) and Condition 10(o) (Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*)).

(b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuer in whole, but not in part:

(i) at any time (if neither the Floating Rate Note Provisions or the Inflation-Linked Note Provisions are specified in the relevant Final Terms as being applicable); or

(ii) on any Interest Payment Date (if the Floating Rate Note Provisions or the Inflation-Linked Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if:

(A) the Issuer satisfies the Trustee immediately prior to the giving of the notice by the Issuer referred to above that it has or will become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or Australia, in the case of Intesa Sanpaolo, or Ireland, in the case of INSPIRE, or Luxembourg in the case of Intesa Luxembourg, or any political subdivision or any authority or agency thereof or therein, or any change in the application or interpretation or administration of such laws or regulations, which change or amendment (such change or amendment

being material and not reasonably foreseeable at the Issue Date in the case of Subordinated Notes) becomes effective on or after the date of issue of the first Tranche of the Notes; and (2) such obligation cannot be avoided by the relevant Issuer taking reasonable measures available to it; or

(B) the Guarantor (where applicable) satisfies the Trustee immediately prior to the giving of the notice by the Issuer referred to above that it has or (if a demand were made under the Guarantee of the Notes) would become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or any political subdivision or any authority or agency thereof or therein, or any change in the application or interpretation or administration of such laws or regulations, which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes; and (2) such obligation cannot be avoided by the Guarantor taking reasonable measures available to it,

(any such event, a "**Tax Event**").

At least 15 days prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee a certificate signed by two duly authorised officers of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred (and such evidence shall be sufficient to the Trustee and conclusive and binding on the Noteholders). Upon the expiry of any such notice as is referred to in this Condition 10(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 10(b).

In the case of Subordinated Notes, the redemption referred to in this Condition 10(b) shall be subject to Condition 10(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

In the case of Senior Preferred Notes and Senior Non-Preferred Notes, the redemption referred to in this Condition 10(b) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(c) *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer giving not less than 15 nor more than 30 days' notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

In the case of Subordinated Notes, no Call Option in accordance with this Condition 10(c) may be exercised by the Issuer to redeem, in whole or in part, such Notes prior to the fifth anniversary of their Issue Date. After the fifth anniversary of such Issue Date, the redemption referred to in this Condition 10(c) shall be subject to Condition 10(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

In the case of Senior Preferred Notes and Senior Non-Preferred Notes, the redemption referred to in this Condition 10(c) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(d) *Partial redemption:*

(i) Partial Redemption of Bearer Notes: If Bearer Notes are to be redeemed in part only on any date in accordance with Condition 10(c) (*Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Trustee approves and in such manner as the Trustee considers appropriate, subject to compliance with applicable law and the rules of each stock exchange on which the Notes are then listed, and the notice to Noteholders referred to in Condition 10(c) (*Redemption at the option of the*

Issuer) shall specify the serial numbers of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

(ii) Partial Redemption of Registered Notes: If Registered Notes are to be redeemed in part only on any date in accordance with Condition 10(c) (*Redemption at the option of the Issuer*), each Registered Note shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Registered Notes to be redeemed on the relevant Option Redemption Date (Call) bears to the aggregate principal amount of outstanding Registered Notes on such date.

(e) *Redemption at the option of Noteholders:*

This provision is not applicable to Senior Non-Preferred Notes and Subordinated Notes.

If the Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the Holder of any Note, redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. The applicable Final Terms contains provisions applicable to any Put Option and must be read in conjunction with this Condition 10(e) for full information on any Put Option. In particular, the applicable Final Terms will identify the Optional Redemption Date (Put), the Optional Redemption Amount (Put) and the applicable notice periods.

If the Put Option is specified as being applicable in the applicable Final Terms, the Holder of any Note must, in accordance with Condition 19 (*Notices*), not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, deposit with any Agent such Note together, in the case of Bearer Notes, with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Agent. The Agent with which a Note is so deposited shall immediately notify the Issuer and shall deliver a duly completed Put Option Receipt to the depositing Holder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 10(e), may be withdrawn; *provided, however, that* if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by an Agent in accordance with this Condition 10(e), the depositor of such Note and not such Agent shall be deemed to be the holder of Note for all purposes.

(f) *Redemption of Subordinated Notes for regulatory reasons (Regulatory Call)*: If Regulatory Call is specified in the applicable Final Terms and if the Issuer notifies the Noteholders of the occurrence of a Regulatory Event, the Issuer may redeem such Subordinated Notes, in whole but not in part, at the Early Redemption Amount specified in the applicable Final Terms, together with any accrued but unpaid interest to the date fixed for redemption, *provided that* (to the extent required by applicable law or regulation) the Issuer has given not less than the minimum period nor more than the maximum period of notice to the Trustee, the Agents and the Noteholders of such Subordinated Notes (such notice being irrevocable) specifying the date fixed for such redemption.

Upon the expiry of such notice period, the Issuer shall be bound to redeem the Subordinated Notes accordingly.

The redemption referred to in this Condition 10(f) shall be subject to Condition 10(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

(g) *Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event:* If redemption at the option of the Issuer due to an MREL Disqualification Event is specified as being applicable in the applicable Final Terms, the Issuer may,

having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Noteholders in accordance with Condition 19 (*Notices*) (which notice shall specify the date fixed for redemption), the Trustee and the Agents, redeem the Senior Preferred Notes or the Senior Non-Preferred Notes, in whole but not in part, then outstanding at any time (if the Senior Preferred Note or the Senior Non-Preferred Note is not a Floating Rate Note or an Inflation-Linked Note) or on any Interest Payment Date (if this Senior Preferred Note or the Senior Non-Preferred Note is a Floating Rate Note or an Inflation-Linked Note) at the Early Redemption Amount specified in the applicable Final Terms, together with any accrued but unpaid interest to the date fixed for redemption, if the Issuer determines that an MREL Disqualification Event has occurred and is continuing. Upon the expiry of any such notice as is referred to in this Condition 10(g), the Issuer shall redeem the Notes in accordance with this Condition 10(g).

The redemption referred to in this Condition 10(g) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(h) *Clean-up redemption at the option of the Issuer:* If a clean-up redemption option (the "**Clean-Up Redemption Option**") is specified as applicable in the Final Terms, and if 75 per cent. or any higher percentage specified in the relevant Final Terms (the "**Clean-Up Percentage**") of the initial aggregate principal amount of the Notes of the same Series (which for the avoidance of doubt includes, any additional Notes issued subsequently and forming a single series with the first Tranche of a particular Series of Notes) have been redeemed or purchased by, or on behalf of, the Issuer and cancelled, the Issuer may, at their option, and having given to the Noteholders not less than 5 nor more than 30 calendar days' notice (the "**Clean-Up Redemption Notice**"), in accordance with Condition 19 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem such outstanding Notes, in whole but not in part, at their clean-up redemption amount ("**Clean-Up Redemption Amount**") together, if appropriate, with accrued interest to (but excluding) the date of redemption, on the date fixed for redemption identified in the Clean-Up Redemption Notice.

In the case of Subordinated Notes, the redemption referred to in this Condition 10(h) shall be subject to Condition 10(n) (*Regulatory conditions for call, redemption, repayment or repurchase of Subordinated Notes*).

In the case of Senior Notes and Senior Non-Preferred Notes, the redemption referred to in this Condition 10(h) shall be subject to Condition 10(o) (*Regulatory conditions for call, redemption, repayment or repurchase of Senior Notes and Senior Non-Preferred Notes*).

(i) *No other redemption*: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 10(a) (*Scheduled redemption*) to 10(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*) inclusive above.

(j) *Early redemption of Zero Coupon Notes*: Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 10(j) or, if none is so specified, a Day Count Fraction of Actual/Actual (or 30/360 if such request is made to and accepted by the respective Issuer).

(k) *Purchase*: The Issuer and the Guarantor (where applicable) may, including for market making purposes, purchase Notes in the open market or otherwise and at any price, *provided that* all unmatured

Coupons are purchased therewith. Such Notes may be held, resold or, at the option of the purchaser, surrendered to any Paying Agent for cancellation. The repurchases referred to in this Condition 10(k) shall be subject to Condition 10(n)10(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification Subordinated Notes) and Condition 10(o) (Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(l) *Cancellation*: All Notes so redeemed by the Issuers or the Guarantor (where applicable) and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold.

(m) *Redemption Amount*: For the avoidance of doubt, in no event will the Redemption Amount of any Notes issued by Intesa Sanpaolo be lower than the principal amount of the Notes.

(n) *Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*: In the case of Subordinated Notes, any call, redemption, repayment or repurchase of such Notes in accordance with Condition 8(a)(iv) (*Inflation Index Delay and Disruption Provisions*), Condition 10(b) (*Redemption for tax reasons*), Condition 10(c) (*Redemption at the option of the Issuer*), Condition 10(f) (*Redemption of Subordinated Notes for regulatory purposes (Regulatory Call)*), or Condition 10(k) (*Purchase*) or Condition 17 (*Meetings of Noteholders; Modification and Waiver; Substitution Additional Issuers*) (including, for the avoidance of doubt, any modification or substitution in accordance with Condition 17 (*Meetings of Noteholders; Modification and Waiver; Substitution; Additional Issuers*)) is subject to conditions compliance with the then applicable Banking Regulations, including, as relevant:

(i) the Issuer having obtained the prior permission of the Relevant Authority in accordance with Articles 77 and 78 of the CRR, as amended or replaced from time to time, where either:

(A) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Subordinated Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(B) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds would, following such call, redemption, repayment or repurchase, exceed the capital requirements laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; and

(ii) in respect of a call, redemption repayment or repurchase prior to the fifth anniversary of the Issue Date of the relevant Subordinated Notes, if and to the extent required under Article 78(4) of the CRR or the Capital Instruments Regulation:

(A) in the case of redemption pursuant to Condition 10(b) (*Redemption for tax reasons*), the Issuer having demonstrated to the satisfaction of the Relevant Authority that the change in the applicable tax treatment of the Notes is material and was not reasonably foreseeable as at the Issue Date; or

(B) in case of redemption pursuant to Condition 10(f) (*Redemption of Subordinated Notes for regulatory reasons (Regulatory Call)*), a Regulatory Event has occurred; or

(C) on or before the relevant call, redemption, repayment or repurchase, the Issuer replaces the Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for income capacity of the Issuer and the Relevant Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or

(D) the Subordinated Notes are repurchased for market making purposes,

subject in any event to any alternative or additional conditions or requirements as may be applicable from time to time under the Applicable Banking Regulations.

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) the Subordinated Notes, in the limit of a predetermined amount, which shall not exceed the lower of (i) 10 per cent. (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the aggregate nominal amount of the relevant Subordinated Notes and (ii) 3 per cent. (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the outstanding aggregate nominal amount of the Tier 2 Instruments of the Issuer at the relevant time, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out at letters (A) and (B) of sub-paragraph (i) of the preceding paragraph.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78 of the CRR shall not constitute a default of the Issuer for any purposes.

(o) *Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes:* Any call, redemption, repayment or repurchase in accordance with Condition 8(a)(iv) (*Inflation Index Delay and Disruption Provisions*), Condition 10(b) (*Redemption for tax reasons*), Condition 10(c) (*Redemption at the option of the Issuer*), Condition 10(k) (*Purchase*), Condition 10(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*), Condition 10(k) (Purchase) or Condition 17 (*Meetings of Noteholders; Modification and Waiver; Substitution Additional Issuers*) (including, for the avoidance of doubt, any modification or substitution in accordance with Condition 17 (*Meetings of Noteholders; Modification and Waiver; Substitution; Additional Issuers*)) of Senior Preferred Notes or Senior Non-Preferred Notes is subject, to the extent such Senior Preferred Notes or Senior Non-Preferred Notes qualify at such time as liabilities that are eligible to meet the MREL Requirements (Eligible Liabilities Instruments) or, in case of a redemption pursuant to Condition 10(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*), qualified as liabilities that are eligible to meet the MREL Requirements before the occurrence of the MREL Disqualification Event, to compliance with the then applicable Banking Regulations, including, as relevant, the condition that the Issuer has obtained the prior permission of the Relevant Authority in accordance with Article 78a of the CRR, where one of the following conditions is met:

(i) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Relevant Notes with Own Funds instruments or Eligible Liabilities Instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(ii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds and Eligible Liabilities would, following such call, redemption, repayment or repurchase, exceed the requirements for Own Funds and Eligible Liabilities laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; or

(iii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that the partial or full replacement of the relevant notes with Own Funds instruments is necessary to ensure compliance with the Own Funds requirements laid down in the Applicable Banking Regulations for continuing authorisation,

subject in any event to any different conditions or requirements as may be applicable from time to time under the Applicable Banking Regulations.

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) Senior Preferred Notes or Senior Non-Preferred Notes, in the limit of a predetermined amount, instruments, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out in sub-paragraphs (i) and (ii) of the preceding paragraph.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78a of the CRR shall not constitute a default of the Issuer for any purposes.

11. **Payments**

Payments under Bearer Notes

(a) *Principal*: Payments of principal shall be made only against presentation and (*provided that* payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States (i) in the case of a currency other than Renminbi, by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency, and (ii) in the case of Renminbi, by transfer to an account denominated in that currency and maintained by the payee with a bank in the Principal Financial Centre and each (if any) Additional Financial Centre of that currency.

(b) *Interest*: Payments of interest shall, subject to Condition 11(h) (*Payments other than in respect of matured Coupons*) be made only against presentation and (*provided that* payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 11(a) (*Principal*) above.

(c) *Payments in New York City*: Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuers and (where applicable) the Guarantor have appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Bearer Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.

(d) *Payments subject to fiscal laws*: All payments in respect of the Bearer Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the Code) or otherwise imposed pursuant to Section 1471 through 1474 of the Code, any regulation or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) *Deductions for unmatured Coupons*: If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented for payment on redemption without all unmatured Coupons relating thereto:

(i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; *provided, however, that* if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

(ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment such missing Coupons shall become void.

Each sum of principal deducted pursuant to sub-paragraph (i) above shall be paid in the manner provided in Condition 11(a) (*Principal*) above against presentation and (*provided that* payment is made in full) surrender of the relevant missing Coupons.

(f) *Unmatured Coupons void*: If the relevant Final Terms specifies that the Floating Rate Note Provisions or the Inflation-Linked Note Provisions are applicable, on the due date for final redemption of any Note or early redemption of such Note pursuant to Condition 10(b) (*Redemption for tax reasons*), Condition 10(c) (*Redemption at the option of the Issuers*), Condition 10(e) (*Redemption at the option of Noteholders*) or Condition 13 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

(g) *Payments on business days*: If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) *Payments other than in respect of matured Coupons*: Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Agent outside the United States (or in New York City if permitted by Condition 11(c) (*Payments in New York City*) above).

(i) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

(j) *Exchange of Talons*: On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Principal Paying Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 14 (*Prescription*)). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

Payments under Registered Notes

(k) *Principal*: Payments of principal shall be made (i) in the case of a currency other than Renminbi, by cheque drawn in the currency in which the payment is due on or, upon application by a Registered Holder to the specified office of the Principal Paying Agent not later than the 15th day before the due date for any such payment, by transfer to an account denominated in such currency (or, if that currency is euro, any other account to which euro may be credited or transferred) maintained by the payee with a bank in the Principal Financial Centre of such currency, and (ii) in the case of Renminbi, by transfer to an account denominated in that currency and maintained by the payee with a bank in the Principal Financial Centre and each (if any) Additional Financial Centre of that currency, and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

(l) *Interest*: Payments of interest shall be made (i) in the case of a currency other than Renminbi, by cheque drawn in the currency in which the payment is due on or, upon application by a Registered Holder to the specified office of the Principal Paying Agent not later than the 15th day before the due date for any such payment, by transfer to an account denominated in such currency (or, if that currency is euro, any other account to which euro may be credited or transferred) maintained by the payee with a bank in the Principal Financial Centre and each (if any) Additional Financial Centre of such currency, and (ii) in the case of Renminbi, by transfer to an account denominated in that currency and maintained by the payee with a bank in the Principal Financial Centre of that currency, and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

(m) *Payments subject to fiscal laws*: All payments in respect of the Registered Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Section 1471 through 1474 of the Code, any regulation or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(n) *Payments on business days*: Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not a Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is

surrendered (or, in the case of part payment only, endorsed) at the Specified Office of an Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Registered Holder shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a business day or (B) a cheque mailed in accordance with this Condition arriving after the due date for payment or being lost in the mail.

(o) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Registered Note, the relevant Issuer, failing which the Guarantor, shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.

(p) *Record date*: Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Registered Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

The following Condition 11(q) (*Inconvertibility, Non transferability or Illiquidity*) shall apply to all Renminbi Notes in addition to the provisions governing payments under Bearer Notes and Registered Notes above:

(q) *Inconvertibility, Non-transferability or Illiquidity:* Notwithstanding the foregoing, if by reason of Inconvertibility, Non-transferability or Illiquidity, the relevant Issuer or the Guarantor, as the case may be, is not able, or it would be impracticable for any of them, to satisfy payments of principal or interest (in whole or in part) in respect of Renminbi Notes when due in Renminbi in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of that currency, the relevant Issuer or the Guarantor, as the case may be, on giving not less than five nor more than 30 days' irrevocable notice to the Principal Paying Agent and Noteholders in accordance with Condition 19 (*Notices*) prior to the due date for payment, shall be entitled to satisfy their respective obligations in respect of such payment by making such payment in U.S. dollars on the due date at the U.S. Dollar Equivalent of any such Renminbi-denominated amount.

In such event, payment of the U.S. Dollar Equivalent of the relevant principal or interest amount in respect of the Renminbi Notes will be made by a U.S. dollar denominated cheque drawn on a bank in New York City and mailed to the Holder (or to the first named of joint holders) of the Renminbi Notes at its address appearing in the Register, or, upon application by the Holder of the Renminbi Notes to the specified office of the Registrar or any Transfer Agent before the Record Date, by transfer to a U.S. dollar denominated account maintained by the payee with, a bank in New York City.

For the purposes of this Condition 11(q):

"**Determination Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi, London and New York City;

"**Determination Date**" means the day which is two Determination Business Days before the due date for any payment of the relevant amount under these Conditions;

"**Governmental Authority**" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi;

"**Illiquidity**" means the general Renminbi exchange market in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi becomes illiquid as a result of which the relevant Issuer or the Guarantor, as the case may be, cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the Renminbi Notes

as determined by the relevant Issuer or, as the case may be, the Guarantor in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers;

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the relevant Issuer or the Guarantor, as the case may be, to convert any amount due in respect of the Renminbi Notes in the general Renminbi exchange market in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi, other than where such impossibility is due solely to the failure of the relevant Issuer or the Guarantor, as the case may be, to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation becomes effective on or after the Issue Date of the Renminbi Notes and it is impossible for the relevant Issuer or the Guarantor, as the case may be, due to an event beyond its control, to comply with such law, rule or regulation);

"**Non-transferability**" means the occurrence of any event that makes it impossible for the relevant Issuer or the Guarantor, as the case may be, to transfer Renminbi between accounts inside the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi, from an account outside the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi to an account inside the Principal Financial Centre or such relevant Additional Financial Centre of Renminbi or from an account inside the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi to an account outside the Principal Financial Centre or such relevant Additional Financial Centre of Renminbi, other than where such impossibility is due solely to the failure of the relevant Issuer or the Guarantor, as the case may be, to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation becomes effective on or after the Issue Date of the Renminbi Notes and it is impossible for the relevant Issuer or the Guarantor, as the case may be, due to an event beyond its control, to comply with such law, rule or regulation);

"**Renminbi Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi;

"**Spot Rate**" means the spot U.S. dollar/Renminbi exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi, as determined by the Renminbi Calculation Agent in good faith and in a commercially reasonable manner at or around 11.00 a.m. (time in the Principal Financial Centre of Renminbi) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Renminbi Calculation Agent in good faith and in a commercially reasonable manner will determine the Spot Rate at or around 11:00 a.m. (time in the Principal Financial Centre or such relevant Additional Financial Centre of Renminbi) on the Determination Date as the most recently available U.S. dollar/Renminbi official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate; and

"**U.S. Dollar Equivalent**" means the Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Determination Date promptly notified to the relevant Issuer, the Guarantor and the Paying Agents.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 11(q) by the Renminbi Calculation Agent, will (in the absence of wilful default, fraud or gross negligence) be binding on the relevant Issuer, the Guarantor, the Trustee, the Paying Agents and all Holders of the Renminbi Notes.

(r) *Payments in Renminbi*: Notwithstanding the foregoing, any payments in respect of the Notes to be made in Renminbi will be made in accordance with all applicable laws, rules, regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to the

settlement of Renminbi in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi) by credit or transfer to an account denominated in that currency and maintained by the payee with a bank in the Principal Financial Centre or such relevant Additional Financial Centre of Renminbi.

12. **Taxation**

(a) *Gross up*: All payments of principal (if applicable) and interest in respect of the Notes and the Coupons (if any) by or on behalf of the Issuer and, where applicable, the Guarantor shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, present or future, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Italy, Australia, Ireland (where the Issuer is INSPIRE) or Luxembourg (where the Issuer is Intesa Luxembourg), or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer or (as the case may be) the Guarantor shall pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders and the Couponholders (if relevant) after such withholding or deduction shall be equal to the amounts of principal, in case of Senior Preferred Notes not qualifying at such time as liabilities that are eligible to meet the MREL Requirements only (if permitted by the Applicable Banking Regulations), and interest, in case of any Notes, and which would otherwise have been receivable by them if no such withholding or deduction had been required, except that no such additional amounts shall be payable in respect of any payment of any interest or principal:

(i) (in respect of payments by Intesa Sanpaolo) for or on account of *Imposta Sostitutiva* (at the then applicable rate of tax) pursuant to Italian Legislative Decree No. 239 of 1 April 1996 (as amended), the "**Legislative Decree No. 239**" or, for the avoidance of doubt, Italian Legislative Decree No. 461 of 21 November 1997 (as amended or supplemented) or any related implementing regulations and in all circumstances in which the procedures set forth in Legislative Decree No. 239 in order to benefit from a tax exemption have not been met or complied with except where such procedures have not been met or complied with due to the actions or omissions of Intesa Sanpaolo or its agents;

(ii) with respect to any Notes or Coupons presented for payment:

(A) in the Republic of Italy (in respect of Notes issued by Intesa Sanpaolo) or (in respect of Notes issued by the Sydney Branch) Australia or (in respect of Notes issued by INSPIRE) Ireland or (in respect of Notes issued by Intesa Luxembourg) Luxembourg; or

(B) by or on behalf of a holder who is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with the Republic of Italy (in respect of Notes issued by Intesa Sanpaolo) or (in respect of Notes issued by the Sydney Branch) Australia or (in respect of Notes issued by INSPIRE) Ireland or (in respect of Notes issued by Intesa Luxembourg) Luxembourg other than the mere holding of such Note or Coupon; or

(C) by or on behalf of a holder who is entitled to avoid such withholding or deduction in respect of such Note or Coupon by making, or procuring, a declaration of non-residence or other similar claim for exemption but has failed to do so; or

(D) more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to an additional amount on presenting such Note or Coupon for payment on such thirtieth day assuming that day to have been a Business Day; or

(E) (in respect of Notes issued by Intesa Sanpaolo) in the event of payment to a non-Italian resident legal entity or a non-Italian resident individual, to the extent that interest or other amounts is paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information with the Republic of Italy; or

(F) in respect of Notes classified as atypical securities where such withholding or deduction is required under Law Decree No. 512 of 30 September 1983, as amended and supplemented from time to time;

(iii) with respect to any Notes or Coupons, in a case where the Issuer receives a notice or direction under section 260-5 of Schedule 1 to the Taxation Administration Act 1953 (Cth) of Australia, section 255 of the Income Tax Assessment Act 1936 (Cth) of Australia or any analogous provisions, any amounts paid or deducted from sums payable to the Noteholders by the Issuer in compliance with such notice or direction; or

(iv) with respect to any Notes or Coupons, in circumstances where such withholding or deduction would have been lawfully avoided if the holder or beneficial owner or any person acting on their behalf had provided to the Issuer an appropriate tax file number, Australian business number, or details of an exemption from providing those numbers: or

(v) to, or to a third party on behalf of, a holder who is an associate (as that term is defined in section 128F of the Income Tax Assessment Act 1936 (Cth) of Australia) of the Issuer.

Notwithstanding any other provision in these Conditions, the Issuer or (if applicable) the Guarantor shall be permitted to withhold or deduct any amounts required by the rules of Sections 1471 through 1474 of the Code, any regulation or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto ("**FATCA Withholding**") as a result of a holder, beneficial owner or an intermediary that is not an agent of the Issuer not being entitled to receive payments free of FATCA Withholding. The Issuer or (if applicable) the Guarantor will have no obligation to pay additional amounts or otherwise indemnify an investor for any such FATCA Withholding deducted or withheld by the Issuer, the paying agent or any other party.

(b) *Taxing jurisdiction*: If payments made by the Issuer or (if applicable) the Guarantor become subject to withholding tax as a result of the Issuer or Guarantor becoming resident, whether for tax purposes or otherwise, in any taxing jurisdiction other than the Republic of Italy, Australia, Ireland or Luxembourg as applicable, references in these Conditions to the Republic of Italy, Australia, Ireland or Luxembourg shall be construed as references to such other jurisdiction instead of the Republic of Italy, Australia, Ireland or Luxembourg.

13. **Events of Default**

(a) The Trustee may at its discretion and without further notice institute such proceedings against the Issuer as it may think fit to enforce any obligation, condition or provision binding on the Issuer under the Trust Deed or in relation to the Notes *provided that* the Issuer shall not by virtue of the institution of any such proceedings, other than

(i) proceedings for compulsory winding-up (*liquidazione coatta amministrativa*) pursuant to Articles 80 and following of the Consolidated Banking Act or voluntary winding-up (*liquidazione volontaria*) in accordance with Article 96-*quinquies* of the Consolidated Banking Act of Intesa Sanpaolo in the Republic of Italy or for insolvency, dissolution, liquidation, or

(ii) winding up or an analogous proceeding applicable to INSPIRE in Ireland or,

(iii) Intesa Luxembourg becoming subject to suspension of payments (*sursis de paiement*), as provided for in Articles 122 et seq. of the Luxembourg Resolution Law, liquidation (*liquidation*), as provided for in Articles 129 et seq. of the Luxembourg Resolution Law, or voluntary winding-up procedures (*dissolution et liquidation*) pursuant to Article 128 of the Luxembourg Resolution Law,

be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

The Trustee shall not in any event be bound to take any of the actions referred to in this Condition unless it shall have been so requested in writing by the holders of at least one quarter of the principal

amount of the Notes outstanding or by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders and unless it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

(b) The Trustee may, at its discretion, or if so requested in writing by holders of at least one quarter in principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution (subject to the Trustee having been indemnified and/or prefunded and/or provided with security to its satisfaction), shall give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon the Notes shall become immediately due and payable at their original outstanding principal amount on issue together with interest accrued as provided in the Trust Deed upon the occurrence of any of the following events (each an "**Event of Default**"): (i) in the event of compulsory winding-up (*liquidazione coatta amministrativa*) pursuant to Articles 80 and following of the Consolidated Banking Act or voluntary winding-up (*liquidazione volontaria*) in accordance with Article 96-*quinquies* of the Consolidated Banking Act of Intesa Sanpaolo in the Republic of Italy, or (ii) insolvency, dissolution, liquidation, winding up or an analogous proceeding applicable to INSPIRE in Ireland, or (iii) Intesa Luxembourg becomes subject to suspension of payments (*sursis de paiement*), as provided for in Articles 122 et seq. of the Luxembourg Resolution Law, liquidation (*liquidation*), as provided for in Articles 129 et seq. of the Luxembourg Resolution Law, or voluntary winding-up procedures (*dissolution et liquidation*) pursuant to Article 128 of the Luxembourg Resolution Law.

(c) No remedy against the Issuer other than (i) as provided by this Condition 13 or (ii) the instituting of proceedings for compulsory winding-up (*liquidazione coatta amministrativa*) pursuant to Articles 80 and following of the Consolidated Banking Act or voluntary winding-up (*liquidazione volontaria*) in accordance with Article 96-*quinquies* of the Consolidated Banking Act in respect of Intesa Sanpaolo in the Republic of Italy or for insolvency, dissolution, liquidation, winding up or an analogous proceeding applicable to INSPIRE in Ireland or Intesa Luxembourg becoming subject to suspension of payments (*sursis de paiement*), as provided for in Articles 122 et seq. of the Luxembourg Resolution Law, liquidation (*liquidation*), as provided for in Articles 129 et seq. of the Luxembourg Resolution Law, or voluntary winding-up procedures (*dissolution et liquidation*) pursuant to Article 128 of the Luxembourg Resolution Law, shall be available to the Trustee on behalf of the Noteholders or the Couponholders whether for the recovery of amounts owing under or in respect of the Notes, the Coupons or under the Trust Deed or in respect of any breach by the Issuer of any of its obligations under the Trust Deed or in relation to the Notes or the Coupons or otherwise.

(d) No Noteholder or Couponholder shall be entitled to proceed against the Issuer unless the Trustee, having become bound to proceed, fails to do so within a reasonable period and such failure shall be continuing and only to the extent that the Trustee would have been entitled to do so.

(e) No Event of Default for the Notes shall occur other than in the context of an insolvency or liquidation in respect of the relevant Issuer (and, for the avoidance of doubt, resolution proceeding(s) or *moratoria* imposed by a resolution authority in respect of the Issuer shall not constitute an Event of Default for the Notes for any purpose).

14. Prescription

Claims against each Issuer or the Guarantor (where applicable) for payment of principal and interest in respect of the Notes or under the Guarantee of the Notes, as the case may be, will be prescribed and become void unless made, in the case of principal, within ten years or, in the case of interest, five years after the Relevant Date.

15. Replacement of Notes and Coupons

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent or, in the case of Registered Notes the Registrar, (and, if the Notes are then listed on any stock exchange which requires the appointment of an Agent in any particular place, the Paying Agent having its Specified Office in the place required by such stock exchange), subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to

evidence, security, indemnity and otherwise as the relevant Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

16. **Trustee and Agents**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking proceeds to enforce payment unless indemnified and/or secured and/or prefunded to its satisfaction, and to be paid its costs and expenses in priority to the claims of Noteholders. The Trustee is entitled to enter into business transactions with the Issuer and, where applicable, the Guarantor and any entity related to the Issuer or, where applicable, the Guarantor without accounting for any profit.

In acting under the Agency Agreement for the English Law Notes in Physical Form and in connection with the Notes and the Coupons, the Agents act solely as agents of the Issuer and, where applicable, the Guarantor or, following the occurrence of an Event of Default, the Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer and, where applicable, the Guarantor reserve the right (with the prior written approval of the Trustee) at any time to vary or terminate the appointment of any Agent and to appoint a successor principal paying agent or Calculation Agent and additional or successor paying agents; *provided, however, that:*

(a) the Issuer and, where applicable, the Guarantor shall at all times maintain a Principal Paying Agent and a Registrar;

(b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer and, where applicable, the Guarantor shall at all times maintain a Calculation Agent;

(c) if and for so long as the Notes are listed or admitted to trading on any stock exchange or admitted to listing by any other relevant authority for which the rules require the appointment of an Agent in any particular place, the Issuer and, where applicable, the Guarantor shall maintain an Agent having its Specified Office in the place required by the rules of such stock exchange; and

(d) the Issuer and (where applicable) the Guarantor undertake that they shall maintain a Paying Agent outside of the Republic of Italy and (in respect of Notes issued by INSPIRE) outside of Ireland.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders in accordance with Condition 19 (*Notices*).

17. **Meetings of Noteholders; Modification and Waiver; Substitution; Additional Issuers**

(a) The Conditions may not be amended without the prior approval of the Relevant Authority (if applicable). The Trust Deed contains provisions for convening meetings (including by way of conference call) of the Noteholders to consider any matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions, the terms of the Notes, and the Trust Deed. The modification of certain terms, including, *inter alia*, the status of the Notes and the Coupons, the rate of interest payable in respect of the Notes, the principal amount thereof, the currency of payment thereof, the date for repayment of the Notes and any date for payment of, or the method of determining the rate of, interest thereon, may only be effected at a meeting of Noteholders to which special quorum provisions apply. Any resolution duly passed at a meeting of Noteholders shall be binding on all the Noteholders and all the Couponholders, whether present or not.

(b) The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification (except as aforesaid) of these Conditions, the Trust Deed, the Notes, and the Coupons and may waive or authorise any breach or proposed breach by the Issuer or, where applicable, the Guarantor of any of the provisions of these Conditions, the Trust Deed, the Notes, and the Coupons which, in the opinion

of the Trustee, is not materially prejudicial to the interests of the Noteholders and may agree, without consent as aforesaid, to any modification which is of a formal, minor or technical nature or is made to correct a manifest error.

(c) The Trustee may (and in the case of an Approved Reorganisation shall) agree with the Issuer (or any previous substitute) and the Guarantor, if applicable, at any time without the consent of the Noteholders or Couponholders:

(i) to the substitution in place of INSPIRE or Intesa Luxembourg (or of any previous substitute) as principal debtor under the Notes, the Coupons and the Trust Deed by Intesa Sanpaolo or another subsidiary of Intesa Sanpaolo (the "**Substitute**"); or

(ii) to an Approved Reorganisation; or

(iii) that INSPIRE or Intesa Luxembourg (or any previous substitute) or Intesa Sanpaolo may, other than by means of an Approved Reorganisation, consolidate with, merge into or amalgamate with any Successor Company (as defined in the Trust Deed),

provided that:

(i) where (in the case of substitution) the Substitute is not Intesa Sanpaolo or (in the case of an Approved Reorganisation) the assumption of the obligations of INSPIRE and/or Intesa Luxembourg is by a Resulting Entity other than Intesa Sanpaolo or (in the case of a consolidation, merger or amalgamation) the assumption of the obligations of INSPIRE and/or Intesa Luxembourg is by a Successor Company other than Intesa Sanpaolo, the obligations of the Substitute or such other entity under the Trust Deed and the Notes and the Coupons shall be irrevocably and unconditionally guaranteed by Intesa Sanpaolo (on like terms as to subordination, if applicable) to those of the Guarantee of the Notes;

(ii) (other than in the case of an Approved Reorganisation) the Trustee is satisfied that the interests of the Noteholders will not be materially prejudiced thereby;

(iii) if required by the Applicable Banking Regulations, the Issuer or the Guarantor has obtained the prior permission of the Relevant Authority; and

(iv) certain other conditions set out in the Trust Deed are satisfied.

Upon the assumption of the obligations of an Issuer by a Substitute or of an Issuer by a Resulting Entity or of an Issuer by a Successor Company, INSPIRE, Intesa Luxembourg or, as the case may be, Intesa Sanpaolo shall (subject to the provisions of the Trust Deed) have no further liabilities under or in respect of the Trust Deed or the Notes or the Coupons.

Any such assumption shall be subject to the relevant provisions of the Trust Deed and to such amendment thereof and such other conditions as the Trustee may require.

The Trust Deed provides that any such substitution, Approved Reorganisation or consolidation, merger or amalgamation shall be notified to the Noteholders in accordance with Condition 19 (*Notices*). In the case of a substitution, the relevant Issuer shall notify the Luxembourg Stock Exchange thereof and prepare, or procure the preparation of, a supplement to the Base Prospectus in respect of the Programme.

(d) In addition, pursuant to Condition 7(f) – (*Interest – Floating Rate Notes reference SOFR (Screen Rate Determination*)) and Condition 7(j) (*Benchmark Replacement*) certain changes may be made to the

interest calculation provisions of the Floating Rate Notes in the circumstances and as otherwise set out in such Condition, without the requirement for consent of the Trustee.

(e) In connection with the exercise of its powers, trusts, authorities or discretions (including but not limited to those in relation to any proposed modification, waiver, authorisation, replacement, transfer or substitution as aforesaid):

(i) the Trustee shall have regard to the interests of the Noteholders as a class and in particular, but without prejudice to the generality of the foregoing, shall not have regard to the consequences of such exercise for individual Noteholders resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory; and

(ii) the Trustee shall not be entitled to claim from the Issuer or, where applicable, the Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders or Couponholders except to the extent already provided for by Condition 12 (*Taxation*) or by any undertaking given in addition thereto or in substitution therefor pursuant to the Trust Deed.

(f) The Trustee may also agree, without the consent of the Noteholders or the Couponholders, to the addition of another company as an issuer of Notes under the Programme and the Trust Deed. Any such addition shall be subject to the relevant provisions of the Trust Deed and to such amendment thereof as the Trustee may require. In addition, pursuant to Condition 7(j) (*Benchmark Replacement*), certain changes may be made to the interest calculation provisions of the Floating Rate Notes in the circumstances and as otherwise set out in such Condition, without the requirement for consent of the Noteholders.

(g) This Condition 17(g) applies to Subordinated Notes. If at any time a Tax Event, an Alignment Event or a Regulatory Event occurs and/or in order to ensure the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*), then Intesa Sanpaolo may, subject to giving any notice required to, and receiving consent from, the Relevant Authority (without any requirement for the consent or approval of the holders of Subordinated Notes of that Series) and having given not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Trustee and the Holders of Subordinated Notes of that Series (which notice shall be irrevocable), at any time either substitute all (but not some only) of such Subordinated Notes, or vary the terms of such Subordinated Notes so that they remain or, as appropriate, become, Qualifying Subordinated Securities (as defined below), *provided that* such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted securities that would otherwise provide the Issuer with a right of redemption pursuant to the provisions of Subordinated Notes.

For the avoidance of doubt, no consent of the Noteholders shall be required for a substitution or variation (as applicable) of the Notes in accordance with this Condition 17(g) and the Trustee shall be obliged to effect such matters provided it would not, in the Trustee's sole opinion, have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee in the Trust Deed and/or these Conditions.

(h) This Condition 17(h) applies to Senior Preferred Notes and Senior Non-Preferred Notes. If at any time an MREL Disqualification Event or an Alignment Event occurs and/or in order to ensure the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*) with respect to Senior Preferred Notes issued by Intesa Sanpaolo, or Condition 24 (*Acknowledgment of the Irish Bail-in Power*) with respect to Senior Preferred Notes issued by INSPIRE, or Condition 25 (*Acknowledgment of the Luxembourg Bail-in Power*) with respect to Senior Preferred Notes issued by Intesa Luxembourg, then the relevant Issuer may, subject to giving any notice required to be given to, and receiving consent from, the Relevant Authority (without any requirement for the consent or approval of the holders of the Senior Preferred Notes or Senior Non-Preferred Notes of that Series) and having given not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Trustee and the Holders of the Senior Preferred Notes or Senior Non-Preferred Notes of that Series, which notice shall be irrevocable, at any time either substitute all (but not some only) of such Senior Preferred Notes or

Senior Non-Preferred Notes, or vary the terms of such Senior Preferred Notes or Senior Non-Preferred Notes so that they remain or, as appropriate, become Qualifying Senior Preferred Notes or Qualifying Senior Non-Preferred Notes (each as defined below), *provided that* such variation or substitution does not itself give rise to any right of the Issuer to redeem the varied or substituted securities.

For the avoidance of doubt, no consent of the Noteholders shall be required for a substitution or variation (as applicable) of the Notes in accordance with this Condition 17(h) and the Trustee shall be obliged to effect such matters provided it would not, in the Trustee's sole opinion, have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) increasing the obligations or duties, or decreasing the rights or protection, of the Trustee in the Trust Deed and/or these Conditions.

18. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects other than the Issue Date, Issue Price and/or Interest Commencement Date and/or the first payment of interest) so as to form a single series with the Notes.

19. **Notices**

To Holders of Bearer Notes

Notices to the Holders of Bearer Notes shall be valid if published (i) in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*), (ii) if and for so long as the Notes are listed or admitted to trading on the Luxembourg Stock Exchange and the rules of that exchange so require, a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (*www. LuxSE.com*) or in each of the above cases, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

To Registered Holders

Notices to the Registered Holders will be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register. Any such notice shall be deemed to have been given on the fourth day after the date of mailing. In addition, so long as the Notes are listed or admitted to trading on a stock exchange and the rules of that stock exchange so require, notices to Registered Holders will be published on the date of such mailing in a daily newspaper of general circulation in the place or places required by that stock exchange (which, in the case of the Luxembourg Stock Exchange, such place will be Luxembourg and such newspaper is expected to be the *Luxemburger Wort*) or, in the case of the Luxembourg Stock Exchange, on the website of the Luxembourg Stock Exchange (*www. LuxSE.com*).

To Holders of Notes held in a clearing system

While all the Notes are represented by a Global Note and the Global Note is deposited with a depositary or a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking, S.A. Luxembourg ("**Clearstream, Luxembourg**") and/or any other relevant clearing system or a common safekeeper for Euroclear and/or Clearstream, Luxembourg, as the case may be, notices to Noteholders may (to the extent permitted by the rules of the Luxembourg Stock Exchange or any other exchange on which the Notes are then listed or admitted to trading) be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system. Any such notices shall be deemed to have been given to the Noteholders on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

20. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

21. **Third Party Rights**

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999.

22. **Governing Law and Jurisdiction**

(a) The Trust Deed and the rights and obligations in respect of the Notes and the Coupons, and any non-contractual obligations arising out of or in connection with each of the foregoing, are governed by, and shall be construed in accordance with, English law, save that:

(i) with respect to the Notes issued by Intesa Sanpaolo only, the provisions described in Condition 23 (*Acknowledgement of the Italian Bail-in Power*), Condition 4(a) (*Status – Senior Preferred Notes*), Condition 4(b) (*Status – Senior Non-Preferred Notes issued by Intesa Sanpaolo*) and Condition 4(c) (*Status – Subordinated Notes issued by Intesa Sanpaolo*) and any non-contractual obligations arising out of or in connection with both such provisions, shall be governed by the laws of the Republic of Italy; and

(ii) with respect to the Notes issued by INSPIRE only, the provisions described in Condition 24 (*Acknowledgement of the Irish Bail-in Power*) and Condition 4(a) (*Status – Senior Preferred Notes*) and any non contractual obligations arising out of or in connection with such provisions, shall be governed by the laws of Ireland; and

(iii) with respect to the Notes issued by Intesa Luxembourg only, the provisions described in Condition 25 (*Acknowledgement of the Luxembourg Bail-in Power*) and Condition 4(a) (*Status – Senior Preferred Notes*) and any non contractual obligations arising out of or in connection with such provisions, shall be governed by the laws of Luxembourg.

For the avoidance of doubt, Articles 470-3 to 470-19 of the Luxembourg Company Law shall not apply to the Notes or the holders of the Notes issued by Intesa Luxembourg.

(b) In the Trust Deed, each of Intesa Sanpaolo, INSPIRE and Intesa Luxembourg has irrevocably agreed for the benefit of the Noteholders that the courts of England are to have jurisdiction to hear and determine any suit, action or proceedings and to hear and determine any suit, action or proceedings and to settle any disputes which may arise out of or in connection with the Trust Deed and the Notes and the Coupons (including any non-contractual obligations arising out of or in connection with the foregoing) (respectively "**Proceedings**" and "**Disputes**") and for such purposes have irrevocably submitted to the non-exclusive jurisdiction of such courts.

(c) *Appropriate forum*: In the Trust Deed each of Intesa Sanpaolo, INSPIRE and Intesa Luxembourg has irrevocably waived any objection which it might now or hereafter have to the courts of England being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and has agreed not to claim that any such court is not a convenient or appropriate forum.

(d) *Process Agent*: In the Trust Deed, each of Intesa Sanpaolo, INSPIRE and Intesa Luxembourg has agreed that the documents which start any Proceedings or any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Intesa Sanpaolo S.p.A., London Branch which is presently at 90 Queen Street, London EC4N 1SA or its address for the time

being. If such person is not or ceases to be effectively appointed to accept service of process on INSPIRE and Intesa Luxembourg's behalf or is not or ceases to be registered in England, Intesa Sanpaolo, INSPIRE and Intesa Luxembourg have agreed in the Trust Deed that they shall, on the written demand of the Trustee or, failing the Trustee, any Noteholder, addressed to the relevant Issuer and delivered to the relevant Issuer or to the specified office of the Principal Paying Agent, appoint a further person in England to accept service of process on their behalf and, failing such appointment within 15 days, the Trustee or, failing the Trustee, any Noteholder, shall be entitled to appoint such a person by written notice addressed to each of the Issuers or to the specified office of the Principal Paying Agent. Nothing in this paragraph shall affect the right of the Trustee or, failing the Trustee, any Noteholder, to serve process in any other manner permitted by law.

(e) *Non-exclusivity*: The submission to the jurisdiction of the courts of England shall not (and shall not be construed so as to) limit the right of any Noteholder to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether currently or not) if and to the extent permitted by law.

(f) *Consent to enforcement etc*: In the Trust Deed, each of Intesa Sanpaolo, INSPIRE and Intesa Luxembourg has consented generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.

23. **Acknowledgement of the Italian Bail-in Power**

Notwithstanding any provision of these Conditions or any other agreements, arrangements, or understandings between the Issuers and the Guarantor (where applicable) and any holder, and without prejudice to Article 55(1) of the BRRD, by its acquisition of the Notes each holder (which, for the purposes of this Condition 23, includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents to and agrees to be bound by:

(i) the effects of the exercise of the Italian Bail-in Power by the Relevant Authority, which exercise may include and result in any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; (ii) the conversion of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto, into ordinary shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of these Conditions; (iii) the cancellation of the Notes or the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; and (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

(ii) the variation of these Conditions, as deemed necessary by the Relevant Authority, to give effect to the exercise of the Italian Bail-in Power by the Relevant Authority.

The exercise of the Italian Bail-in Power by the Relevant Authority shall not constitute an event of default and these Conditions shall remain in full force and effect save as varied by the Relevant Authority in accordance with this Condition 23.

Upon the Issuer being informed or notified by the Relevant Authority of the actual date from which the exercise of the Italian Bail-in Power is effective with respect to the Notes, the Issuer shall notify the holders of the Notes without delay. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Italian Bail-in Power nor the effects on the Notes described in this Condition 23.

Each Noteholder also acknowledges and agrees that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of any Italian Bail-in Power to the Notes.

24. **Acknowledgement of the Irish Bail-in Power**

Notwithstanding any provision of these Conditions or any other agreements, arrangements, or understandings between the Issuers and the Guarantor (where applicable) and any holder, and without prejudice to Article 55(1) of the BRRD, by its acquisition of the Notes each holder (which, for the purposes of this Condition 24, includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents to and agrees to be bound by:

(i) the effects of the exercise of the Irish Bail-in Power by the Relevant Authority, which exercise may include and result in any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; (ii) the conversion of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto, into ordinary shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of these Conditions; (iii) the cancellation of the Notes or the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; and (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

(ii) the variation of these Conditions, as deemed necessary by the Relevant Authority, to give effect to the exercise of the Irish Bail-in Power by the Relevant Authority.

The exercise of the Irish Bail-in Power by the Relevant Authority shall not constitute a default or an Event of Default and these Conditions shall remain in full force and effect save as varied by the Relevant Authority in accordance with this Condition 24.

Upon the Issuer being informed or notified by the Relevant Authority of the actual date from which the exercise of the Irish Bail-in Power is effective with respect to the Notes, the Issuer shall notify the holders of the Notes without delay. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Irish Bail-in Power nor the effects on the Notes described in this Condition 24.

Each Noteholder also acknowledges and agrees that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of any Irish Bail-in Power to the Notes.

25. **Acknowledgement of the Luxembourg Bail-in Power**

Notwithstanding any provision of these Conditions or any other agreements, arrangements, or understandings between the Issuers and the Guarantor (where applicable) and any holder, and without prejudice to Article 55(1) of the BRRD, by its acquisition of the Notes each holder (which, for the purposes of this Condition 25, includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents to and agrees to be bound by:

(i) the effects of the exercise of the Luxembourg Bail-in Power by the Relevant Authority, which exercise may include and result in any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; (ii) the conversion of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto, into ordinary shares, other securities or other

obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of these Conditions; (iii) the cancellation of the Notes or the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; and (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

(ii) the variation of these Conditions, as deemed necessary by the Relevant Authority, to give effect to the exercise of the Luxembourg Bail-in Power by the Relevant Authority.

The exercise of the Luxembourg Bail-in Power by the Relevant Authority shall not constitute an event of default and these Conditions shall remain in full force and effect save as varied by the Relevant Authority in accordance with this Condition 25.

Upon the Issuer being informed or notified by the Relevant Authority of the actual date from which the exercise of the Luxembourg Bail-in Power is effective with respect to the Notes, the Issuer shall notify the holders of the Notes without delay. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Luxembourg Bail-in Power nor the effects on the Notes described in this Condition 25.

Each Noteholder also acknowledges and agrees that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of any Luxembourg Bail-in Power to the Notes.

TERMS AND CONDITIONS OF THE ITALIAN LAW NOTES IN PHYSICAL FORM

The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Conditions applicable to Global Notes". Further information related to Inflation-Linked Notes is contained in Annex 1 (Further information related to Inflation-Linked Notes) below.

1. Introduction

(a) *Programme*: Intesa Sanpaolo S.p.A. acting through its Turin head office or its Sydney branch as Issuer ("**Intesa Sanpaolo**" or the "**Bank**" or the "**Issuer**"), Intesa Sanpaolo Bank Ireland p.l.c. ("**INSPIRE**") and Intesa Sanpaolo Bank Luxembourg S.A. ("**Intesa Luxembourg**") have established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to €70,000,000,000 in aggregate principal amount of notes guaranteed, in respect of Notes issued by INSPIRE and Intesa Luxembourg, by Intesa Sanpaolo pursuant to a deed of guarantee to be entered upon the issuance of such guaranteed notes. Under the Programme, Intesa Sanpaolo may issue notes governed by Italian law (the "**Italian Law Notes in Physical Form**" or the "**Notes**").

(b) *Final Terms*: Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of final terms (the "**Final Terms**") which complete these terms and conditions governed by Italian law (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms.

(c) *Agency Agreement*: The Notes are the subject of a fiscal agency agreement governed by Italian law dated 21 December 2023 (as amended and/or supplemented and/or restated from time to time, the "**Agency Agreement for the Italian Law Notes in Physical Form**") between Intesa Sanpaolo and Deutsche Bank AG acting through its London Branch as fiscal agent (the "**Fiscal Agent**", which expression includes any successor fiscal agent appointed from time to time in connection with the Notes), Deutsche Bank Luxembourg S.A. as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes) and the transfer agent (the "**Transfer Agent**", which expression includes any successor transfer agent appointed from time to time in connection with the Notes) and paying agents named therein (together with the Fiscal Agent and the Registrar, the "**Agents**", which expression includes any successor or additional agents appointed from time to time in connection with the Notes).

(d) *The Notes*: All subsequent references in these Conditions to Notes are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available for inspection and obtainable free of charge by the public during normal business hours at the Specified Office of the Fiscal Agent or, in the case of Registered Notes the Registrar, and, in any event, at the Specified Office of the Paying Agent in Luxembourg, the initial Specified Office of which is set out below.

(e) *Summaries*: Certain provisions of these Conditions are summaries of the Agency Agreement for the Italian Law Notes in Physical Form and are subject to their detailed provisions. Noteholders and Couponholders, if any, are bound by, and are deemed to have notice of, all the provisions of the Agency Agreement for the Italian Law Notes in Physical Form applicable to them. Copies of the Agency Agreement for the Italian Law Notes in Physical Form (i) are available for inspection or collection (or electronically) by Noteholders during normal business hours at the Specified Offices of each of the Paying Agents, the initial Specified Offices of which are set out below or (ii) may be provided by email to a Noteholder following their prior written request to any Paying Agents and provision of proof of holding and identity in a form satisfactory to the relevant Paying Agent.

2. **Definitions and Interpretation**

(a) *Definitions*: In these Conditions the following expressions have the following meanings:

"**2006 ISDA Definitions**" means, in relation to a Series of Notes, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of such Series) as published by ISDA (copies of which may be obtained from ISDA at www.isda.org);

"**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the date of issue of the first Tranche of Notes of such Series, as published by ISDA on its website (www.isda.org);

"**Accrual Yield**" has the meaning given in the relevant Final Terms;

"**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Additional Tier 1 Capital**" has the meaning given to such term (or any other equivalent or successor term) in the Applicable Banking Regulations;

"**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Benchmark Rate (as the case may be) and is the spread, formula or methodology which is notified by the Issuers to the Fiscal Agent and Calculation Agent as being:

(i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) (if no such recommendation has been made, or in the case of an Alternative Benchmark Rate), the Independent Adviser, determines and notifies the Fiscal Agent and the Calculation Agent is customarily applied to the relevant Successor Rate or Alternative Benchmark Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or

(iii) (if no such recommendation has been made) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Benchmark Rate (as the case may be); or

(iv) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines (acting in good faith and in a commercially reasonable manner) to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Benchmark Rate (as the case may be);

an "**Alignment Event**" will be deemed to have occurred if, as a result of a change in or amendment to the Applicable Banking Regulations or interpretation thereof, at any time after the Issue Date of a relevant Series of Notes, the Issuer would be able to issue (i) in the case such Notes are Senior Preferred Notes or Senior Non-Preferred Notes, an instrument qualifying as Eligible Liabilities Instruments or (ii) in the case such Notes are Subordinated Notes, an instrument qualifying as Tier 2 Capital which, in each case, contains one or more provisions that are, in the reasonable opinion of the Issuer, different in any material respect from those contained in these Conditions;

"**Applicable Banking Regulations**" means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then applicable to the Issuer or the Group (including any applicable transitional provisions) including, without limitation, the BRRD, the BRRD Implementing Decrees, the CRD IV Package, the Capital Instruments Regulations, Circular No. 285, the Banking Reform Package, the SRM Regulation and any other regulations, requirements, guidelines and policies relating to capital adequacy then in effect of the Relevant Authority (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer) or of the institutions of the European Union and standards and guidelines issued by the European Banking Authority;

"**Approved Reorganisation**" means a solvent and voluntary reorganisation involving, alone or with others, the Issuer, and whether by way of consolidation, amalgamation, merger, transfer of all or substantially all of its business or assets, or otherwise *provided that* the principal resulting, surviving or transferee entity (a "**Resulting Entity**") is a banking company and effectively assumes all the obligations of the Issuer under, or in respect of, the Notes;

"**Banking Reform Package**" means: (i) Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 575/2013 as regards the leverage ratio, the net stable funding ration, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposure to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No. 648/2012; (ii) Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 806/2014 as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms; (iii) Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures; and (iv) Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms and Directive 98/26/EC;

"**Bearer Note**" means a Note in bearer form;

"**Benchmark Event**" means:

(i) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(ii) a public statement by the administrator of the relevant Reference Rate that it has ceased, or will cease, publishing such Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Reference Rate); or

(iii) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will be permanently or indefinitely discontinued; or

(iv) a public statement by the supervisor of the administrator of the Reference Rate (as applicable) that means that such Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(v) a public statement by the supervisor of the administrator of the relevant Reference Rate that, in the view of such supervisor, such Reference Rate is no longer representative of an underlying market; or

(vi) it has or will become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the BMR, if applicable);

Unless otherwise specified in the relevant Final Terms, the change of the Reference Rate methodology does not constitute a Benchmark Event. In the event of a change in the formula and/or (mathematical or other) methodology used to measure the Relevant Benchmark, reference shall be made to the Reference Rate based on the formula and/or methodology as changed.

"**BMR**" means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014 as amended or replaced from time to time;

"**BRRD**" means Directive 2014/59/EU of the European Parliament and of the Council of May 15 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

"**BRRD Implementing Decrees**" means the Legislative Decrees No. 180 and 181 of November 16, 2015, implementing the BRRD in the Republic of Italy, as amended or replaced from time to time (including, without limitation, as a consequence of the transposition of the Banking Reform Package into Italian law);

"**Business Day**" means:

(i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre;

(ii) in relation to any sum payable in a currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre; and

(iii) in relation to any sum payable in Renminbi, a day (other than Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong/the Principal Financial Centre of Renminbi and in each (if any) Additional Business Centre;

"**Business Day Convention**", in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

(i) "**Following Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day;

(ii) "**Modified Following Business Day Convention**" or "**Modified Business Day Convention**" the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

(iii) "**Preceding Business Day Convention**" means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

(iv) "**FRN Convention**", "**Floating Rate Convention**" or "**Eurodollar Convention**" means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred *provided, however, that:*

(A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;

(B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day;

(C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

(v) "**No Adjustment**" means that the relevant date shall not be adjusted in accordance with the Business Day Convention.

"**Calculation Agent**" means the person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

"**Calculation Amount**" has the meaning given in the relevant Final Terms;

"**Capital Instruments Regulations**" means the Delegated Regulation and any other rules or regulations of the Relevant Authority or which are otherwise applicable to the Issuer or the Group (as the case may be and, where applicable), whether introduced before or after the Issue Date of the relevant Series of Notes, which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the Own Funds to the extent required under the CRD IV Package;

"**CET1 Instruments**" means at any time common equity tier 1 instruments as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Circular No. 285**" means the Bank of Italy Circular No. 285 of 17 December 2013, as amended or replaced from time to time (including, without limitation, as a consequence of the transposition of the Banking Reform Package into Italian law);

"**CNY**" or "**Renminbi**" means the lawful currency of the PRC;

"**Coupon**" means an interest coupon relating to a Bearer Note;

"**Couponholder**" means the holder of a Coupon;

"**Coupon Sheet**" means, in respect of a Bearer Note, a coupon sheet relating to such Note;

"**CRD IV**" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

"**CRD IV Package**" means the CRR and the CRD IV;

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 setting out prudential requirements for credit institutions and investment firms, as amended or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

(i) if "**Actual/Actual (ICMA)**" is so specified, means:

(a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the

product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year; and

(b) where the Calculation Period is longer than one Regular Period, the sum of:

(1) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(2) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (b) the number of Regular Periods normally ending in any year;

(ii) if "**Actual/365**" or "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;

(iv) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;

(v) if "**30/360**" (in respect of Condition 5 (*Fixed Rate Note Provisions*)) is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month));

(vi) if "**Actual/365 (Sterling)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(vii) If "**30/360**" (in respect of Condition 6 (*Floating Rate Note and Benchmark Replacement*)) or "**360/360**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{(Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30; and

(viii) If "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30; and

(ix) If "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period

None of the Fiscal Agent, Paying Agents or the Calculation Agents shall be responsible or liable for any action or inaction of the Independent Adviser or in respect of the determination of any Successor Rate or Alternative Rate, or any Adjustment Spread or Benchmark Amendments;

"**Delegated Regulation**" means the Commission Delegated Regulation (EU) No. 241/2014 of 7 January 2014, supplementing the CRR with regard to regulatory technical standards for Own Funds requirements for institutions, as amended and replaced from time to time;

"**Early Redemption Amount**" has the meaning given to it in the applicable Final Terms;

"**Early Redemption Amount (Tax)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**euro**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Communities as amended from time to time;

"**Extraordinary Resolution**" has the meaning given in the Agency Agreement for the Italian Law Notes in Physical Form;

"**Final Redemption Amount**" means, in respect of any Note (other than Inflation-Linked Notes), its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms *provided that*, in any case, such amount will be at least equal to the relevant par value. In respect of Inflation-Linked Notes, the "Final Redemption Amount" means an amount different from the relevant par value as may be specified in the relevant Final Terms, *provided that* under no circumstances shall the Final Redemption Amount be less than the Nominal Amount of the Notes;

"**Fixed Coupon Amount**" has the meaning given in the relevant Final Terms;

"**Holder**" means a Registered Holder or, as the context requires, the holder of a Bearer Note;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the People's Republic of China;

"**Indebtedness for Borrowed Money**" means any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of (i) money borrowed, (ii) liabilities under or in respect of any acceptance or acceptance credit or (iii) any bonds, notes, debentures, loan capital, certificates of deposit, loan stock or other like instruments or securities offered, issued or distributed whether by way of public offer, private placement, acquisition consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash;

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser of recognised standing with relevant experience in the international capital markets, in each case appointed by the Issuers at their own expense *which, for the avoidance of doubt, this will not be the* Fiscal Agent;

"**Interest Amount**" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"**Interest Commencement Date**" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

"**Interest Determination Date**" has the meaning given in the relevant Final Terms;

"**Interest Payment Date**" means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

(i) as the same may be adjusted in accordance with the relevant Business Day Convention; or

(ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"**Interest Period**" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

"**ISDA Definitions**" has the meaning given in the relevant Final Terms;

"**Issue Date**" has the meaning given in the relevant Final Terms;

"**Italian Bail-in Power**" means any write-down, conversion, transfer, modification, or suspension power whether relating to the resolution or independent of any resolution action, of credit institutions, investment firms and/or Group entities, existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the Republic of Italy, including those relating to (i) the transposition of the BRRD (including, but not limited to, Legislative Decrees No. 180/2015 and 181/2015) as amended from time to time; and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of a regulated entity (or other affiliate of such regulated entity) can be reduced, cancelled, modified, or converted into shares, other securities, or other obligations of such regulated entity or any other person (or suspended for a temporary period);

"**Loss Absorption Requirement**" means the power of the Relevant Authority to impose that Own Funds instruments or other liabilities of the Issuer or entities of the Group (as the case may be) are subject to full or partial write-down of the principal or conversion into CET1 Instruments or other instruments of ownership;

"**Margin**" has the meaning given in the relevant Final Terms;

"**Maturity Date**" has the meaning given in the relevant Final Terms;

"**Maximum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**Minimum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**MREL Disqualification Event**" means that, at any time, all or part of the aggregate outstanding nominal amount of such Series of Senior Preferred Notes or Senior Non-Preferred Notes is or will be excluded fully or partially from the eligible liabilities available to meet the MREL Requirements *provided that*: (a) the exclusion of a Series of Senior Preferred Notes or Senior Non-Preferred Notes from the MREL Requirements due to the remaining maturity of such Senior Preferred Notes or Senior Non-Preferred Notes being less than any period prescribed thereunder, does not constitute an MREL Disqualification Event; (b) the exclusion of all or some of a Series of Senior Preferred Notes from the MREL Requirements due to there being insufficient headroom for such Senior Preferred Notes within a prescribed exception to the otherwise applicable general requirements for eligible liabilities (to the extent applicable to Intesa Sanpaolo and/or the Group) does not constitute an MREL Disqualification Event; and (c) the exclusion of all or some of a Series of Senior Preferred Notes or Senior Non-Preferred Notes from the MREL Requirements as a result of such Notes being purchased by or on behalf of Intesa Sanpaolo or as a result of a purchase which is funded directly or indirectly by Intesa Sanpaolo, does not constitute an MREL Disqualification Event;

"**MREL Requirements**" means the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for Own Funds and eligible liabilities and/or loss-absorbing capacity instruments applicable to Intesa Sanpaolo and/or the Group, from time to time, (including any applicable transitional provisions) including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for Own Funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Republic of Italy, a Relevant Authority or the European Banking Authority from time to time (whether or not such requirements, guidelines or policies are applied generally or specifically to Intesa Sanpaolo and/or the Group), as any of the preceding laws, regulations, requirements, guidelines, rules, standards, policies or interpretations may be amended, supplemented, superseded or replaced from time to time;

"**Multiplier**" has the meaning given in the relevant Final Terms;

"**Note Certificate**" means a certificate issued to each Registered Holder in respect of its registered holding of Notes;

"**Noteholder**" means a holder of a Bearer Note or, as the context requires, a Registered Holder;

"**Optional Redemption Amount (Call)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Amount (Put)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Date (Call)**" has the meaning given in the relevant Final Terms;

"**Optional Redemption Date (Put)**" has the meaning given in the relevant Final Terms;

"**Own Funds**" shall have the meaning assigned to such term in the CRR as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Payment Business Day**" means:

(i) if the currency of payment is euro, any day which is:

(A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

(B) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or

(ii) if the currency of payment is not euro or Renminbi, any day which is:

(A) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and

(B) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre; or

(iii) if the currency of payment is Renminbi, a day (other than Saturday, Sunday, or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong/the Principal Financial Centre of Renminbi and in each (if any) Additional Financial Centre.

"**PRC**" means the People's Republic of China which, for the purpose of these Terms and Conditions, shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"**Principal Financial Centre**" means, in relation to any currency, the principal financial centre for that currency *provided, however, that*:

(i) in relation to euro, it means the principal financial centre of such Member State of the European Union or the United Kingdom as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

(ii) in relation to Australian dollars, it means Melbourne and, in relation to New Zealand dollars, it means Wellington; and

(iii) in relation to Renminbi, it means Hong Kong;

"**Put Option Notice**" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Put Option Receipt**" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Qualifying Senior Preferred Notes**" means securities issued directly or indirectly by the Issuer that:

(i) (A) contain terms which at such time result in such securities being eligible to count towards fulfilment of the Issuer's and/or the Group's (as applicable) minimum requirements for Own Funds and eligible liabilities under the then applicable MREL Requirements; (B) include a ranking at least equal to that of the Senior Preferred Notes; (C) have the same Rate of Interest and the same Interest Payment Dates as those from time to time applying to the Senior Preferred Notes; (D) have the same redemption rights as the Senior Preferred Notes; (E) preserve any existing rights under the Senior Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation; (F) are assigned (or maintain) the same or higher solicited credit ratings as were assigned to the Senior Preferred Notes immediately prior to such variation or substitution, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*); and (G) other than in respect of the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*, have terms not materially less favourable to a holder of the Senior Preferred Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing which is independent of the Group, than the terms of the Senior Preferred Notes; and

(ii) are listed on a recognized stock exchange if the Senior Preferred Notes were listed immediately prior to such variation or substitution;

"**Qualifying Senior Non-Preferred Notes**" means securities issued directly or indirectly by the Issuer that:

(i) (A) contain terms which at such time result in such securities being eligible to count towards fulfilment of the Issuer's and/or the Group's (as applicable) minimum requirements for Own Funds and eligible liabilities under the then applicable MREL Requirements; (B) include a ranking at least equal to that of the Senior Non-Preferred Notes; (C) have the same Rate of Interest and the same Interest Payment Dates as those from time to time applying to the Senior Non-Preferred Notes; (D) have the same redemption rights as the Senior Non-Preferred Notes; (E) preserve any existing rights under the Senior Non-Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation; (F) are assigned (or maintain) the same or higher solicited credit ratings as were assigned to the Senior Non-Preferred Notes immediately prior to such variation or substitution, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*); and (G) other than in respect of the effectiveness and enforceability of Condition 21 (*Acknowledgment of the Italian Bail-in*

Power), have terms not materially less favourable to a holder of the Senior Non-Preferred Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing which is independent of the Group, than the terms of the Senior Non-Preferred Notes; and

(ii) are listed on a recognized stock exchange if the Senior Non-Preferred Notes were listed immediately prior to such variation or substitution;

"**Qualifying Subordinated Securities**" means securities, whether debt, equity, interests in limited partnerships or otherwise, issued directly or indirectly by the Issuer that:

(i) (A) contain terms such that they comply with the then-current minimum requirements under the Applicable Banking Regulations for inclusion in the Tier 2 Capital of the Issuer or the Group (as applicable); (B) include a ranking at least equal to that of the Subordinated Notes; (C) have the same Rate of Interest and the same Interest Payment Dates as those from time to time applying to the Subordinated Notes; (D) have the same redemption rights as the Subordinated Notes; (E) preserve any existing rights under the Subordinated Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation; (F) are assigned (or maintain) the same or higher solicited credit ratings as were assigned to the Subordinated Notes immediately prior to such variation or substitution, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*); and (G) other than in respect of the effectiveness and enforceability of Condition 23 (*Acknowledgment of the Italian Bail-in Power*), have terms not materially less favourable to a holder of the Subordinated Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing which is independent of the Group, than the terms of the Subordinated Notes; and

(ii) are listed on a recognised stock exchange if the Subordinated Notes were listed immediately prior to such variation or substitution;

"**Rate of Interest**" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

"**Redemption Amount**" means, as appropriate, the Final Redemption Amount, the Early Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put) or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms;

"**Reference Price**" has the meaning given in the relevant Final Terms;

"**Reference Rate**" has the meaning given in the relevant Final Terms;

"**Reference Rate Multiplier**" has the meaning given in the relevant Final Terms;

"**Register**" means the register maintained by the Registrar in respect of Registered Notes in accordance with the Agency Agreement for the Italian Law Notes in Physical Form;

"**Registered Holder**" means the person in whose name a Registered Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof);

"**Registered Note**" means a Note in registered form;

"**Regular Period**" means:

(i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first

Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

(ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and

(iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

"**Regulatory Event**" means a change (or pending change which the Relevant Authority considers to be sufficiently certain) in the regulatory classification of the Subordinated Notes from the classification as of the Issue Date that results, or would be likely to result, in their exclusion in whole or, to the extent permitted by the Applicable Banking Regulations, in part from Tier 2 Capital of the Issuer or the Group, where applicable in accordance with the Applicable Banking Regulations, a reclassification as a lower quality form of Own Funds (save where the exclusion from Tier 2 Capital of the Issuer is solely (A) a result of any applicable limitation on the amount of such capital, or (B) in accordance with any requirement that recognition of such Series of Subordinated Notes as part of the Tier 2 Capital of the Issuer be amortised in the five years prior to maturity of such Notes, in either (A) or (B) in accordance with Applicable Banking Regulations in force as at the date on which agreement is reached to issue the first Tranche of such Series of Subordinated Notes) and, in case the Regulatory Event has occurred before five years from the issue of the relevant Subordinated Notes, both of the following conditions are met: (i) the Competent Authority considers such a change to be sufficiently certain and (ii) the Issuer demonstrates to the satisfaction of the Competent Authority that the change in regulatory classification of the Notes was not reasonably foreseeable as at the Issue Date;

"**Relevant Authority**" means the European Central Bank, the Bank of Italy, or any successor authority having responsibility for the prudential supervision of the Issuer or the Group within the framework of the Single Supervisory Mechanism set out under Council Regulation (EU) No. 1024/2013 ("**SSM**") and in accordance with the Applicable Banking Regulations and/or, as the context may require, the Italian resolution authority, the Single Resolution Board established pursuant to the SRM Regulation, and/or any other authority in Italy or in the European Union entitled to exercise or participate in the exercise of the Italian Bail-in Power or having primary responsibility for the prudential oversight and supervision of Intesa Sanpaolo from time to time;

"**Relevant Date**" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Fiscal Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"**Relevant Financial Centre**" has the meaning given in the relevant Final Terms;

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable): (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof;

"**Relevant Screen Page**" means the page, section or other part of a particular information service (including, without limitation, the Reuter Monitor Money Rates Service and the Moneyline Telerate Service) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"**Relevant Time**" has the meaning given in the relevant Final Terms;

"**Renminbi Calculation Agent**" means the person specified in the relevant Final Terms as the party responsible for calculating the Spot Rate (as defined in Condition 10(q) (*Inconvertibility, Non transferability or Illiquidity*)) and/or such other amount(s) as may be specified in the relevant Final Terms;

"**Reserved Matter**" has the meaning ascribed thereto in the Agency Agreement for the Italian Law Notes in Physical Form;

"**Reset Date**" has the meaning given in the relevant Final Terms;

"**Specified Currency**" has the meaning given in the relevant Final Terms;

"**Specified Denomination(s)**" has the meaning given in the relevant Final Terms;

"**Specified Office**" has the meaning given in the Agency Agreement for the Italian Law Notes in Physical Form;

"**Specified Period**" has the meaning given in the relevant Final Terms;

"**SRM Regulation**" means Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Supervisory Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

"**SRM II Regulation**" means Regulation (EU) No. 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 806/2014 as regards the loss absorbing and recapitalisation capacity of credit institutions and investment firms.

"**Successor Rate**" means the reference rate (and related alternative screen page or source, if available) that the Independent Adviser (with the Issuer's agreement) determines is a successor to or replacement of the relevant Reference Rate which is formally recommended by any Relevant Nominating Body;

"**Switch Option**" means, if Change of Interest Basis and Issuer's Switch Option are specified as applicable in the applicable Final Terms, the option of the Issuer, at its sole absolute discretion, on one or more occasions and subject to the provisions of Condition 7(l) (*Change of Interest Basis*), to change the Interest Basis of the Notes from Fixed Rate to Floating Rate, to Floating Rate to Fixed Rate or as otherwise specified in the applicable Final Terms, with effect from (and including) the Switch Option Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date;

"**Talon**" means a talon for further Coupons;

"**T2**" means the real time gross settlement system operated by the Eurosystem or any successor system;

"**TARGET Settlement Day**" means any day on which T2 is open;

"**Tier 2 Capital**" has the meaning given to it from time to time in the Applicable Banking Regulations;

"**Tier 2 Instruments**" means at any time tier 2 instruments as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Treaty**" means the Treaty establishing the European Union, as amended;

"**Yield**" means the yield specified in the Final Terms, as calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield; and

"**Zero Coupon Note**" means a Note specified as such in the relevant Final Terms.

(b) *Interpretation*: In these Conditions:

(i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;

(ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;

(iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;

(iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 11 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;

(v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 11 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;

(vi) references to Notes being "**outstanding**" shall be construed in accordance with the Agency Agreement for the Italian Law Notes in Physical Form;

(vii) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "**not applicable**" then such expression is not applicable to the Notes; and

(viii) any reference in these Conditions to any legislation (whether primary legislation or regulations or other subsidiary legislation is made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

3. **Form, Denomination and Title**

The Notes will be issued as Bearer Notes or Registered Notes, as specified in the relevant Final Terms.

(a) *Notes in Bearer Form*: Bearer Notes are issued in the Specified Denomination(s) with Coupons (if applicable) and, if specified in the relevant Final Terms, Talons attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.

(b) *Title to Bearer Notes:* Title to Notes and Coupons will pass by delivery.

(c) *Minimum Denomination:* The minimum denomination per Note will be €100,000, save that (i) the minimum denomination of each Senior Non-Preferred Note will be €150,000 (or, if the Senior Non-Preferred Notes are denominated in a Specified Currency other than Euro, the equivalent amount in such Specified Currency); and (ii) the minimum denomination of each Subordinated Note will be €200,000 (or, if the Subordinated Notes are denominated in a in a Specified Currency other than Euro, the equivalent amount in such other Specified Currency).

(d) *Notes in Registered Form*: Registered Notes are issued in the Specified Denominations and may be held in holdings equal to the Specified Minimum Amount (specified in the relevant Final Terms) and integral multiples equal to the Specified Increments (specified in the relevant Final Terms) in excess thereof (an "**Authorised Holding**").

(e) *Title to Registered Notes:* The Registrar will maintain the Register in accordance with the provisions of the Agency Agreement for the Italian Law Notes in Physical Form. A Note Certificate will be issued to each Registered Holder in respect of its holding of Notes. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register.

(f) *Ownership:* The Holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or, in the case of Registered Notes, on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.

(g) *Transfer of Registered Notes:* Subject to Conditions 3(j) (*Closed periods)* and 3(k) (*Regulations concerning transfers and registration)* below, a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; *provided, however, that* a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a Holder are being transferred) the principal amount of the balance of Notes not transferred are Authorised Holdings. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.

(h) *Registration and delivery of Note Certificates*: Within five business days of the surrender of a Note Certificate in accordance with Condition 3(g) (*Transfer of Registered Notes*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes transferred to each Registered Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Registered Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such Registered Holder. In this Condition 3(h), "**business day**" means a day on which commercial banks are open for business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.

(i) *No charge*: The transfer of a Registered Note will be effected without charge by or on behalf of the Issuers, the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

(j) *Closed periods*: Registered Holders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest in respect of the Registered Notes.

(k) *Regulations concerning transfers and registration*: All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Agency Agreement for the Italian Law Notes in Physical Form. The regulations may be changed by the Issuers with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Registered Holder who requests in writing a copy of such regulations.

4. **Status of the Notes**

(a) **Status – Senior Preferred Notes**

*This Condition 4(a) is applicable in relation to Senior Preferred Notes and specified in the Final Terms as being Senior Preferred Notes (and, for the avoidance of doubt, does not apply to Non-Preferred Senior Preferred Notes) ("**Senior Preferred Notes**").*

The Senior Preferred Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* and rateably without any preference among themselves and (subject

to any obligations preferred by any applicable law) equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future (other than obligations ranking, in accordance with their terms and/or by provision of law, junior to the Senior Preferred Notes from time to time (including Senior Non-Preferred Notes and any further obligations permitted by law to rank junior to the Senior Preferred Notes following the Issue Date)) if any.

Each holder of a Senior Preferred Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Senior Preferred Note.

(b) **Status - Senior Non-Preferred Notes issued by Intesa Sanpaolo**

*This Condition 4(b) is applicable only to Senior Non-Preferred Notes issued by Intesa Sanpaolo specified in the applicable Final Terms as Non-Preferred Senior obligations and intended to qualify as "strumenti di debito chirografario di secondo livello" of Intesa Sanpaolo, as defined under Article 12 bis of the Consolidated Banking Act, as amended from time to time ("**Senior Non-Preferred Notes**").*

The obligations of Intesa Sanpaolo under the Senior Non-Preferred Notes (notes intending to qualify as *strumenti di debito chirografario di secondo livello* of Intesa Sanpaolo, as defined under, and for the purposes of, Article 12-*bis* and Article 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Act and any relevant implementing regulation which may be enacted for such purposes by any Relevant Authority) in respect of principal, interest and other amounts constitute direct, unconditional, unsubordinated, unsecured and non-preferred obligations of Intesa Sanpaolo, ranking:

(i) junior to Senior Preferred Notes and any other unsecured and unsubordinated obligations of Intesa Sanpaolo which rank, or are expressed to rank by their terms and/or by provision of law, senior to the Senior Non-Preferred Notes, including claims arising from the excluded liabilities within the meaning of Article 72a(2) of the CRR;

(ii) *pari passu* without any preferences among themselves, and with all other present or future obligations of Intesa Sanpaolo which do not rank or are not expressed by their terms to rank junior or senior to the relevant Senior Non-Preferred Notes; and

(iii) in priority to any subordinated instruments and to the claims of shareholders of Intesa Sanpaolo,

pursuant to Article 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Act, as amended from time to time, and any relevant implementing regulation which may be enacted for such purposes by any Relevant Authority.

Each holder of a Senior Non-Preferred Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Senior Non-Preferred Note.

(c) **Status – Subordinated Notes issued by Intesa Sanpaolo**

*This Condition 4(c) is applicable only in relation to Subordinated Notes issued by Intesa Sanpaolo and specified in the Final Terms as being subordinated and intended to qualify as Tier 2 Capital ("**Subordinated Notes**").*

(i) ***Status of Subordinated Notes***

The Subordinated Notes (notes intended to qualify as Tier 2 Capital for regulatory capital purposes, in accordance with Part II, Chapter 1 of the Bank of Italy's *Disposizioni di Vigilanza per le Banche*, as set out in Circular No. 285, including any successor regulations, and Article 63 of the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms) constitute direct, unconditional, unsecured and subordinated obligations of Intesa Sanpaolo and rank *pari passu* without any preference among themselves. Save as provided in Condition 4(c)(ii)

(*Status of disqualified Subordinated Notes*), in the event of compulsory winding-up (*liquidazione coatta amministrativa*) pursuant to Articles 80 and following of Legislative Decree of 1 September 1993, No. 385 of the Republic of Italy as amended (the "**Consolidated Banking Act**") or voluntary winding-up (*liquidazione volontaria*) in accordance with Article 96-*quinquies* of the Consolidated Banking Act, for so long as the relevant Series of Subordinated Notes qualify, in whole or in part, as Tier 2 Capital, the payment obligations of Intesa Sanpaolo in respect of principal and interest under the Subordinated Notes will (A) be subordinated to the claims of the Intesa Sanpaolo Senior Creditors (as defined below); (B) rank *pari passu* with Parity Creditors and (C) rank in priority to the claims of shareholders of the Issuer and to the claims of creditors of the Issuer holding instruments that are more subordinated than the Subordinated Notes (including the holders of notes which qualify as Additional Tier 1 Capital, if any).

"**Intesa Sanpaolo Senior Creditors**" means creditors of Intesa Sanpaolo whose claims are admitted to proof in the winding up of Intesa Sanpaolo and who are either (a) unsubordinated creditors of Intesa Sanpaolo (including depositors and any holder of Senior Notes, Senior Non-Preferred Notes and their respective Coupons) or (b) creditors of Intesa Sanpaolo whose claims against Intesa Sanpaolo are, or are expressed to be, subordinated in the event of the winding up of Intesa Sanpaolo but senior to the Subordinated Notes (including any subordinated instruments that have ceased to qualify, in their entirety, as own fund items (*elementi di fondi propri*)).

"**Parity Creditors**" means creditors of Intesa Sanpaolo (including, without limitation, the Subordinated Noteholders, and the Subordinated Couponholders) whose claims against Intesa Sanpaolo are, or are expressed to be, subordinated in the event of the winding up of Intesa Sanpaolo in any manner to the claims of any unsecured and unsubordinated creditor of Intesa Sanpaolo, but excluding those subordinated creditors of Intesa Sanpaolo (if any) whose claims rank, or are expressed to rank, junior or senior to the claims of the Subordinated Noteholders and Subordinated Couponholders and/or to the claims of any other creditors of Intesa Sanpaolo whose claims rank, or are expressed to rank, *pari passu* with the claims of the Subordinated Noteholders and Subordinated Couponholders or with whose claims the claims of the Subordinated Noteholders and Subordinated Couponholders rank, or are expressed to rank, *pari passu*, including holders of present or future subordinated instruments which qualify, in whole or in part, as Tier 2 Capital of the Issuer.

(ii) ***Status of disqualified Subordinated Notes***

If the relevant Series of Subordinated Notes do not qualify (or cease to qualify) in their entirety as own funds items (*elementi di fondi propri*), such Subordinated Notes will rank *pari passu* without any preference among themselves and: (A) at least *pari passu* with the Issuer's obligations in respect of any other subordinated instruments that have ceased to qualify, in their entirety, as own funds items (*elementi di fondi propri*) and with all other subordinated indebtedness of the Issuer that have such ranking; (B) in priority to payments to holders of present or future outstanding indebtedness which qualifies, in whole or in part, as own funds items (*elementi di fondi propri*), including Additional Tier 1 Capital and Tier 2 Capital; and (C) junior in right of payment to the payment of any present or future claims of depositors of the Issuer and any other unsubordinated creditors of the Issuer (including Senior Notes and Senior Non-Preferred Notes).

(iii) ***Loss Absorption***

The Subordinated Notes (including, for the avoidance of doubt, payments of principal and/or interest) shall be subject to the Loss Absorption Requirement, if so required under the BRRD and/or the SRM Regulation, in accordance with the powers of the Relevant Authority and where the Relevant Authority determines that the application of the Loss Absorption Requirement to the Subordinated Notes is necessary pursuant to applicable law and/or regulation in force from time to time.

(iv) ***Set-Off***

Neither any Subordinated Noteholder or Subordinated Couponholder may exercise or claim any right of set-off in respect of any amount owed to it by Intesa Sanpaolo arising under or in connection with the Subordinated Notes or Subordinated Coupons and each Subordinated Noteholder, and Subordinated Couponholder shall, by virtue of his subscription, purchase or holding of any Subordinated Note or Subordinated Coupon, be deemed to have waived all such rights of set-off.

(d) **No Negative Pledge**

There is no negative pledge in respect of the Notes.

5. **Fixed Rate Note Provisions**

(a) *Application*: This Condition 5 is applicable to the Notes (a) if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable; and (b) if the Fixed-Floating Rate Note Provisions or the Floating-Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable, in respect of those Interest Periods for which the Fixed Rate Note Provisions are stated to apply.

(b) *Accrual of interest*: The Notes bear interest from, and including, the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 5 (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment). As specified in the relevant Final Terms, interest from such Notes may accrue on a different basis from that set out in this Condition 5.

(c) *Fixed Coupon Amount*: The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount.

(d) *Calculation of interest amount*: The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount by multiplying the product of the Rate of Interest for such Interest Period and the Calculation Amount by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose For this purpose a "**sub-unit**" means, in the case of any currency other than euro and Renminbi, the lowest amount of such currency that is available as legal tender in the country of such currency, in the case of euro, means one cent and, in the case of Renminbi, means CNY 0.01. Where the Specified Denomination of a Fixed Rate Note is the multiple of the Calculation Amount, the Amount of interest payable in respect of such Fixed Rate Note shall be the multiple of the product of the amounts (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

5B. Reset Note Provisions

(a) *Rates of Interest and Interest Payment Dates*: Each Reset Note bears interest:

(i) from (and including) the Interest Commencement Date until (but excluding) the First Reset Date at the Initial Rate of Interest;

(ii) from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the relevant Final Terms, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and;

(iii) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest,

payable, in each case, in arrear on each Interest Payment Date and on the Maturity Date if that does not fall on an Interest Payment Date. The Rate of Interest and the Interest Amount payable shall be determined by the Calculation Agent, (i) in the case of the Rate of Interest, at or as soon as practicable after each time at which the Rate of Interest is to be determined, subject to Condition 6(j) (*Benchmark Rate Replacement*), below, and (ii) in the case of the Interest Amount in accordance with the provisions for calculating amounts of interest in Condition 5 (*Fixed Rate Note Provisions*). Unless otherwise stated in the applicable Final Terms the Rate of Interest (inclusive of the First or Subsequent Margin) shall not be deemed to be less than zero.

For the purposes of the Conditions:

"**First Margin**" means the margin specified as such in the applicable Final Terms;

"**First Reset Date**" means the date specified in the applicable Final Terms;

"**First Reset Period**" means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the Maturity Date;

"**First Reset Rate of Interest**" means, in respect of the First Reset Period and subject to Condition 5B(b) (*Fallbacks*), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the First Margin (with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be made by the Calculation Agent));

"**Initial Rate of Interest**" has the meaning specified in the applicable Final Terms;

"**Interest Commencement Date**" means the date specified as such in the applicable Final Terms;

"**Mid-Market Swap Rate**" means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (as specified in the Form of Final Terms) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

"**Mid-Market Swap Rate Quotation**" means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

"**Mid-Swap Floating Leg Benchmark Rate**" means EURIBOR if the Specified Currency is euro;

"**Mid-Swap Rate**" means, in relation to a Reset Determination Date and subject to Condition 5B(b) (*Fallbacks*), either:

(iv) if Single Mid-Swap Rate is specified in the Form of Final Terms, the rate for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

(v) if Mean Mid-Swap Rate is specified in the applicable Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

"**Rate of Interest**" means the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

"**Reset Date**" means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable);

"**Reset Determination Date**" means, in respect of the First Reset Period, the second Business Day prior to the First Reset Date, in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Reset Date and, in respect of each Subsequent Reset Period thereafter, the second Business Day prior to the first day of each such Subsequent Reset Period;

"**Reset Period**" means the First Reset Period or a Subsequent Reset Period, as the case may be;

"**Second Reset Date**" means the date specified in the Form of Final Terms;

"**Subsequent Margin**" means the margin specified as such in the Form of Final Terms;

"**Subsequent Reset Date**" means the date or dates specified in the Form of Final Terms;

"**Subsequent Reset Period**" means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date; and

"**Subsequent Reset Rate of Interest**" means, in respect of any Subsequent Reset Period and subject to Condition 5B(b) (*Fallbacks*), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the relevant Subsequent Margin (with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be made by the Calculation Agent)).

(b) *Fallbacks*

If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Issuer shall, subject as provided in Condition 6(j) (*Benchmark Rate Replacement*), request each of the Reference Banks (as defined below) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

For the purposes of this Condition 5B(b) "**Reference Banks**" means the principal office in the principal financial centre of the Specified Currency of four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer on the advice of an investment bank of international repute.

6. **Floating Rate Note and Benchmark Replacement**

(a) *Application*: This Condition 6 is applicable to the Notes only if (a) the Floating Rate Note Provisions, CMS Linked Interest Notes or the Inflation-Linked Note Provisions are specified in the relevant Final Terms as being applicable; and (b) if the Fixed-Floating Rate Note Provisions or the Floating-Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable, in respect of those Interest Periods for which the Floating Rate Note Provisions are stated to apply. The applicable Final Terms contain provisions applicable to the determination of the interest and must be read in conjunction with this Condition 6 for full information on the manner in which interest is calculated. In addition, Condition 6(j) (*Benchmark Discontinuation*) is applicable to the Notes if the Reset Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Accrual of interest*: The Notes bear interest from, and including, the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6(b) (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment). As specified in the relevant Final Terms, interest from such Notes may accrue on a different basis from that set out in this Condition 6.

(c) *Screen Rate Determination*: Other than in respect of Notes for which SONIA, SOFR, €STR, SARON and/or CMS and/or any related index is specified as the Reference Rate in the relevant Final Terms, if Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis, subject to Condition 6(j) (Benchmark Replacement) below:

(i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(iii) if, on the Interest Determination Date the Calculation Agent determines that the Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, Reference Rate shall be the Reference Rate published

on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors)

and the Rate of Interest for such Interest Period shall be:

(i) if "Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined (the "**Determined Rate**");

(ii) if "**Multiplier**" is specified in the relevant Final Terms as being applicable the sum of (i) the Margin and (ii) the relevant Determined Rate multiplied by the Multiplier;

(iii) if "**Reference Rate Multiplier**" is specified in the relevant Final Terms as being applicable, the sum of (i) the Margin, and (ii) the relevant Determined Rate multiplied by the Reference Rate Multiplier,

provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or, as the case may be, the arithmetic mean last determined in relation to the Notes in respect of the immediately preceding Interest Period for which such rate or arithmetic mean was determined.

(d) *Floating Rate Notes which are CMS Linked Interest Notes*: Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be calculated as it follows, subject to Condition 6(j) (*Benchmark Replacement*) below:

(w) where "**CMS Reference Rate**" is specified as the Reference Rate in the applicable Final Terms, determined by the Calculation Agent by reference to the following formula:

CMS Rate + Margin

(x) where "**Leveraged CMS Reference Rate**" is specified as the Reference Rate in the applicable Final Terms, determined by the Calculation Agent by reference to the following formula:

Either:

(a) L x CMS Rate + M

(b) Min [max (L x CMS Rate + M; F); C]

(y) where "**Steepener CMS Reference Rate**" is specified as the Reference Rate in the applicable Final Terms, determined by the Calculation Agent by reference to the following formula:

Either:

(a) where "**Steepener CMS Reference Rate: Unleveraged**" is specified in the applicable Final Terms:

Min {[max (CMS Rate 1 – CMS Rate 2) + M; F]; C}

or:

(b) where "**Steepener CMS Reference Rate: Leveraged**" is specified in the applicable Final Terms:

Min {[max [L x (CMS Rate 1 – CMS Rate 2) + M; F]; C}

where:

C = Cap (if applicable)

F = Floor

L = Leverage

M= Margin

For the purposes of sub-paragraph (y):

"**CMS Rate**" shall mean the applicable swap rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page as at the specified time on the Interest Determination Date in question, all as determined by the Calculation Agent. The Agency Agreement for the Italian Law Notes in Physical Form contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available; and

"**Cap**", "**CMS Rate 1**", "**CMS Rate 2**", "**Floor**", "**Leverage**" and "**Margin**" shall have the meanings given to those terms in the applicable Final Terms.

If, on the Interest Determination Date the Calculation Agent determines that the Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, Reference Rate shall be the Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors)

and the Rate of Interest for such Interest Period shall be:

(i) if "Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined (the "**Determined Rate**");

(ii) if "**Multiplier**" is specified in the relevant Final Terms as being applicable the sum of (i) the Margin and (ii) the relevant Determined Rate multiplied by the Multiplier;

(iii) if "**Reference Rate Multiplier**" is specified in the relevant Final Terms as being applicable, the sum of (i) the Margin, and (ii) the relevant Determined Rate multiplied by the Reference Rate Multiplier,

provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or, as the case may be, the arithmetic mean last determined in relation to the Notes in respect of the immediately preceding Interest Period for which such rate or arithmetic mean was determined.

(e) *Interest – Floating Rate Notes referencing SONIA*

(i) This Condition 6(e) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable and the "Reference Rate" is specified in the relevant Final Terms as being "SONIA".

(ii) Where "SONIA" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent.

(iii) For the purposes of this Condition 6(e):

"**Compounded Daily SONIA**", with respect to an Interest Period, will be calculated by the Calculation Agent on each Interest Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_i \times n_i}{\mathrm{D}}\right)-1\right]\times\frac{\mathrm{D}}{d}$$

"**d**" means the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period; or

(iii) where if such number is not specified, 365;

"**D**" is the number specified in the relevant Final Terms (or, if no such number is specified, 365);

"**d_o**" means the number of London Banking Days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**i**" means a series of whole numbers from one to d_o, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period,

to, and including, the last London Banking Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling p London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling p London Banking Days prior to such earlier date, if any, on which the Notes are due and payable).

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**n_i**" for any London Banking Day "i", in the relevant Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such London Banking Day "i" up to, but excluding, the following London Banking Day;

"Observation Period" means, in respect of an Interest Period, the period from, and including, the date falling "p" London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is p London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling p London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable), means the number of London Banking Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms which shall not be less than three London Banking days at any time and shall, unless otherwise agreed with the Calculation Agent (or such other person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest), be no less than five London Banking Days;

"**SONIA Reference Rate**" means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors) on the London Banking Day immediately following such London Banking Day; and

"**SONIAi**" means the SONIA Reference Rate for:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms; the relevant London Banking Day "i";

For the avoidance of doubt, the formula for the calculation of Compounded Daily SONIA only compounds the SONIA Reference Rate in respect of any London Banking Day. The SONIA Reference Rate applied to a day that is a non-London Banking Day will be taken by applying the SONIA Reference Rate for the previous London Banking Day but without compounding.

(iv) If, in respect of any London Banking Day in the relevant Interest Period or Observation Period (as applicable), the Calculation Agent determines that the SONIA Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall, subject to Condition 7(j) (*Benchmark Replacement*), be:

(A) the sum of (a) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; and (b) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or

(B) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or, if this is more recent, the latest determined rate under (A).

(v) Subject to Condition 6(j) (*Benchmark Replacement*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 6(e), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period), in each case as determined by the Calculation Agent.

(f) *Interest – Floating Rate Notes referencing SOFR (Screen Rate Determination)*

(i) This Condition 6(f) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "SOFR".

(ii) Where "SOFR" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be the Benchmark plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.

(iii) For the purposes of this Condition 6(f):

"**Benchmark**" means Compounded SOFR, which is a compounded average of daily SOFR, as determined for each Interest Period in accordance with the specific formula and other provisions set out in this Condition 6(f).

Daily SOFR rates will not be published in respect of any day that is not a U.S. Government Securities Business Day, such as a Saturday, Sunday or holiday. For this reason, in determining Compounded SOFR in accordance with the specific formula and other provisions set forth herein, the daily SOFR rate for any U.S. Government Securities Business Day that immediately precedes one or more days that are not U.S. Government Securities Business Days will be multiplied by the number of calendar days from and including such U.S. Government Securities Business Day to, but excluding, the following U.S. Government Securities Business Day.

If the Issuers determine that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of Compounded SOFR (or the daily SOFR used in the calculation hereof) prior to the relevant SOFR Determination Time, then the provisions under Condition 6(f)(iv) below will apply.

"**Compounded SOFR**" with respect to any Interest Period, means the rate of return of a daily compound interest investment computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \times n_i}{\mathrm{D}}\right)-1\right]\times\frac{\mathrm{D}}{d}$$

"**d**" is the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period.

"**D**" is the number specified in the relevant Final Terms (or, if no such number is specified, 360);

"**d_o**" is the number of U.S. Government Securities Business Days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period.

"**i**" is a series of whole numbers from one to d_o, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period,

to and including the last US Government Securities Business Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes are due and payable);

"**ni**" for any U.S. Government Securities Business Day "i" in the relevant Interest Period or Observation Period (as applicable), is the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("**i+1**");

"**Observation Period**" in respect of an Interest Period means the period from, and including, the date falling "p" U.S. Government Securities Business Days preceding the first day in such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date falling "p" U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable) means the number of U.S. Government Securities Business Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms which shall not be less than three U.S. Government Securities Business days at any time and shall, unless otherwise agreed with the Calculation Agent (or such other person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest), be no less than five U.S. Government Securities Business Days;

"**SOFR**" with respect to any U.S. Government Securities Business Day, means:

(i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or

(ii) Subject to Condition 6(f)(iv) below, if the rate specified in (i) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, or any successor source;

"**SOFRi**" means the SOFR for:

(i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant U.S. Government Securities Business Day "i"; and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(iv) If the Issuer determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Noteholders.

Any determination, decision or election that may be made by the Issuer pursuant to this section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

(i) will be conclusive and binding absent manifest error;

(ii) will be made in the sole discretion of the Issuer; and

(iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

"**Benchmark**" means, initially, Compounded SOFR, as such term is defined above; provided that if the Issuer determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then "Benchmark" shall mean the applicable Benchmark Replacement.

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

(i) the sum of: (A) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (B) the Benchmark Replacement Adjustment;

(ii) the sum of: (A) the ISDA Fallback Rate and (B) the Benchmark Replacement Adjustment; or

(iii) the sum of: (A) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (B) the Benchmark Replacement Adjustment;

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

(i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuers decide may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuers decide that adoption of any portion of such market practice is not administratively feasible or if the Issuers determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issue determine is reasonably necessary);

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(i) in the case of sub-paragraph (a), (b) or (c) of the definition of "Benchmark Transition Event" below, the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(ii) in the case of sub-paragraph (d), (e) or (f) of the definition of "Benchmark Transition Event" below, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(a) the Benchmark has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(b) a public statement by the administrator of the Benchmark that it has ceased, or will cease, publishing such Benchmark permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Benchmark); or

(c) a public statement by the supervisor of the administrator of the Benchmark that such Benchmark has been or will be permanently or indefinitely discontinued; or

(d) a public statement by the supervisor of the administrator of the Benchmark (as applicable) that means that such Benchmark will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(e) a public statement by the supervisor of the administrator of the Benchmark that, in the view of such supervisor, such Benchmark is no longer representative of an underlying market; or

(f) it has or will become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Benchmark (as applicable) (including, without limitation, under the BMR, if applicable).

Unless otherwise specified in the relevant Final Terms, the change of the Benchmark methodology does not constitute a Benchmark Transition Event. In the event of a change in the formula and/or (mathematical or other) methodology used to measure the Relevant Benchmark, reference shall be made to the Benchmark based on the formula and/or methodology as changed.

"**BMR**" means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014 as amended or replaced from time to time;

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the 2006 ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the 2006 ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Reference Time**" with respect to any determination of the Benchmark means (i) if the Benchmark is Compounded SOFR, the SOFR Determination Time, and (ii) if the Benchmark is not Compounded SOFR, the time determined by the Issuer after giving effect to the Benchmark Replacement Conforming Changes;

"**Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(v) Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under Condition above will be notified promptly by the Issuer to the Fiscal Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 19 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Fiscal Agent, the Calculation Agent and the Paying Agents of the same, the Issuer shall deliver to the Fiscal Agent, the Calculation Agent and the Paying Agents a certificate signed by two authorised signatories of the Issuer:

(A) confirming (x) that a Benchmark Transition Event has occurred, (y) the relevant Benchmark Replacement and, (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 6(f); and

(B) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.

(vi) For the avoidance of doubt, no consent of the Noteholders shall be required for a variation (as applicable) of the Notes in accordance with Condition 6(f)(v) above and the Fiscal Agent, the Calculation Agent and the Paying Agents shall, at the direction and expense of the Issuer, but subject to receipt by the Fiscal Agent, the Calculation Agent and the Paying Agents of a certificate signed by two Authorised Signatories (as aforesaid), be obliged to concur with the Issuer in using its reasonable endeavours to effect any Benchmark Replacement Confirming Changes (including, *inter alia*, by the execution of a deed supplemental to or amending the Agency Agreement for the Italian Law Notes in Physical Form, provided it would not, in the Trustee's, the Fiscal Agent's or the Calculation Agent's or the Paying Agent's opinion, have the effect of increasing the obligations or duties, or decreasing the rights or protection, of the Fiscal Agent, the Calculation Agent and the Paying Agent in the Agency Agreement for the Italian Law Notes in Physical Form and/or these Conditions.

(vii) If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 6(e), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(g) *Interest – Floating Rate Notes referencing €STR (Screen Rate Determination)*

(i) This Condition 7(g) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "**€STR**".

(ii) Where "**€STR**" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.

(iii) For the purposes of this Condition 7(g):

"**Compounded Daily €STR**" means, with respect to any Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{€\text{STR}_i \times n_i}{\text{D}}\right)-1\right]\times\frac{\text{D}}{d}$$

where:

"**d**" means the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**D**" means the number specified as such in the relevant Final Terms (or, if no such number is specified, 360);

"**d_o**" means the number of TARGET Settlement Days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

the "**€STR reference rate**", in respect of any TARGET Settlement Day, is a reference rate equal to the daily euro short-term rate ("**€STR**") for such TARGET Settlement Day as provided by the European Central Bank as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the TARGET Settlement Day immediately following such TARGET Settlement Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

"**€STR$_i$**" means the €STR reference rate for:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the TARGET Settlement Day falling "p" TARGET Settlement Days prior to the relevant TARGET Settlement Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant TARGET Settlement Day "i".

"**i**" is a series of whole numbers from one to "d_o", each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

to, and including, the last TARGET Settlement Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" TARGET Settlement Days prior to the Interest Payment Date for such Interest Period (or the

date falling "p" TARGET Settlement Days prior to such earlier date, if any, on which the Notes are due and payable);

"$\mathbf{n_i}$" for any TARGET Settlement Day "i" in the relevant Interest Period or Observation Period (as applicable), means the number of calendar days from (and including) such TARGET Settlement Day "i" up to (but excluding) the following TARGET Settlement Day;

"**Observation Period**" means, in respect of any Interest Period, the period from (and including) the date falling "p" TARGET Settlement Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to (but excluding) the date falling "p" TARGET Settlement Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) such earlier date, if any, on which the Notes become due and payable; and

"**p**" for any latest Interest Period or Observation Period (as applicable), means the number of TARGET Settlement Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms or, if no such period is specified, five TARGET Settlement Days.

(iv) Subject to Condition 7(j) (*Benchmark Replacement*), if, where any Rate of Interest is to be calculated pursuant to Condition 7(j)(ii) above, in respect of any TARGET Settlement Day in respect of which an applicable €STR reference rate is required to be determined, such €STR reference rate is not made available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, then the €STR reference rate in respect of such TARGET Settlement Day shall be the €STR reference rate for the first preceding TARGET Settlement Day in respect of which €STR reference rate was published by the European Central Bank on its website.

(v) Subject to Condition 7(j) (*Benchmark Replacement*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 6(e), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(h) *Interest – Floating Rate Notes referencing SARON (Screen Rate Determination)*

(i) This Condition 6(h) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "**SARON**".

(ii) Where "**SARON**" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.

(iii) For the purposes of this Condition 6(h):

"**Compounded Daily SARON**" means, with respect to any Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting

percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{\text{SARON}_{i-\rho SIXBD}\ \times\ n_i}{360}\right)-1\right]\times\frac{360}{d}$$

"**d**" means the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**do**" means the number of SIX Business Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**i**" means a series of whole numbers from one to "do", each representing the relevant SIX Business Day in chronological order from, and including, the first SIX Business Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Remuneration Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling p SIX Business Day prior to the Interest Payment Date for such Remuneration Period (or the date falling p SIX Business Day prior to such earlier date, if any, on which the Securities are due and payable).

"**SIX Business Day**" or "**SIXBD**" means a day (other than a Saturday or Sunday) which is not marked as currency holiday for CHF in the Trading & Currency Holiday Calendar published by SIX Swiss Exchange;

"$\mathbf{n_i}$" for any SIX Business Day "i", in the relevant Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such SIX Business Day "i" up to, but excluding, the following SIX Business Day;

"**Observation Period**" means, in respect of an Interest Period, the period from, and including, the date falling "p" SIX Business Day prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is p SIX Business Day prior to the Interest Payment Date for such Interest Period (or the date falling p SIX Business Day prior to such earlier date, if any, on which the Securities become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable), means the number of SIX Business Day specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms provided that "p" shall not be less than five SIX Business Days without prior written approval of the Fiscal Agent;

"**SARON Reference Rate**" means, in respect of any SIX Business Day, a reference rate equal to the daily Swiss Average Rate Overnight ("SARON") rate for such SIX Business Day as provided by the administrator of SARON to authorised distributors and as then published on

the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors) on the SIX Business Day immediately following such SIX Business Day; and

*"**SARONi**" means the SARON Reference Rate for:*

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the SIX Business Day falling "p" SIX Business Days prior to the relevant SIX Business Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms; the relevant SIX Business Day "i";

For the avoidance of doubt, the formula for the calculation of Compounded Daily SARON only compounds the SARON Reference Rate in respect of any SIX Business Day. The SARON Reference Rate applied to a day that is a non- SIX Business Day will be taken by applying the SARON Reference Rate for the previous SIX Business Day but without compounding.

If, in respect of any SIX Business Day in the relevant Interest Period or Observation Period (as applicable), the Issuer or an Independent Advisor on the Issuer's behalf determines that the SARON Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SARON Reference Rate shall, subject to subject to Security Condition 7(j) (*Benchmark Rate Replacement*), be the SARON Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding SIX Business Day on which the SARON Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors).

Subject to Condition 7(j) (*Benchmark Rate Replacement*), if the Rate of Interest Rate cannot be determined in accordance with the foregoing provisions of this Condition 7(h) the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to the Securities for the first Interest Period had the Securities been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(i) *ISDA Determination*: If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be:

(i) if "Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the relevant ISDA Rate;

(ii) if "Multiplier" is specified in the relevant Final Terms as being applicable the sum of (i) the Margin and (ii) the relevant ISDA Rate multiplied by the Multiplier;

(iii) if "**Reference Rate Multiplier**" is specified in the relevant Final Terms as being applicable, the sum of (i) the Margin, and (ii) the relevant ISDA Rate multiplied by the Reference Rate Multiplier,

where "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;

(ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms;

(iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the Euro-zone interbank offered rate (EURIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Final Terms (provided that such Reset Date shall not be less than five Business days prior to the Interest Payment Date unless expressly agreed with the Calculation Agent (or such other person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest).; and

(iv) if applicable, the "Applicable Benchmark", "Fixing Day", "Fixing Time" and/or any other items specified in the relevant Final Terms are as specified in the relevant Final Terms.

The definition of 'Fallback Observation Day' in the ISDA Definitions shall be deemed deleted in its entirety and replaced with the following: "Fallback Observation Day" means, in respect of a Reset Date and the Calculation Period (or any Compounding Period included in that Calculation Period) to which that Reset Date relates, unless otherwise agreed, the day that is five Business Days preceding the related Payment Date. If "2021 ISDA Definitions" is specified in the applicable Final Terms, then if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate.

Unless otherwise defined capitalised terms used in this Condition 7(i) shall have the meaning ascribed to them in the ISDA Definitions.

(j) *Benchmark Replacement*: Other than in the case of a U.S. dollar-denominated floating rate Note for which the Reference Rate is specified in the relevant Final Terms as being "SOFR", notwithstanding the foregoing provisions of this Condition 6, if the Issuer (or the person specified in the relevant Final Terms as the party responsible for calculating the Rate of Interest and the Interest Amount(s))) determines that a Benchmark Event has occurred, when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to a Reference Rate, then the following provisions shall apply:

(i) the Issuer shall use reasonable endeavours to appoint an Independent Adviser for the determination (with the Issuer's agreement) of a Successor Rate or, alternatively, if the Independent Adviser and the Issuer agree that there is no Successor Rate, an alternative rate (the "**Alternative Benchmark Rate**") and will notify the Fiscal Agent and Calculation Agent in either case and, an alternative screen page or source (the "**Alternative Relevant Screen Page**") and an Adjustment Spread (if applicable) no later than ten (10) Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (the "**IA Determination Cut-off Date**") for purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods (as applicable) (subject to the subsequent operation of this Condition 6(j));

(ii) the Alternative Benchmark Rate shall be such rate as the Independent Adviser and the Issuer acting in good faith agree has replaced the relevant Reference Rate and notifies the Fiscal Agent and the Calculation Agent in customary market usage for the purposes of determining floating rates of interest or reset rates of interest in respect of eurobonds denominated in the Specified Currency, or, if the Independent Adviser and the Issuer agree that there is no such rate, such other rate as the Independent Adviser and the Issuer acting in good faith agree is

most comparable to the relevant Reference Rate, and the Alternative Relevant Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate;

(iii) if the Issuer is unable to appoint an Independent Adviser, or if the Independent Adviser and the Issuer cannot agree upon, or cannot select a Successor Rate or an Alternative Benchmark Rate and Alternative Relevant Screen Page prior to the IA Determination Cut-off Date in accordance with sub-paragraph (ii) above, then the Issuer (acting in good faith and in a commercially reasonable manner) may determine which (if any) rate has replaced the relevant Reference Rate in customary market usage for purposes of determining floating rates of interest or reset rates of interest in respect of eurobonds denominated in the Specified Currency, or, if it determines that there is no such rate, which (if any) rate is most comparable to the relevant Reference Rate, and the Alternative Benchmark Rate shall be the rate so determined by the Issuer and the Alternative Relevant Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate; *provided however that* if (a) this sub-paragraph (iii) applies and the Issuer is unable or unwilling to determine an Alternative Benchmark Rate and Alternative Relevant Screen Page the Issuers will notify the Fiscal Agent and the Calculation Agent of such determination no later than ten (10) Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period in accordance with this sub-paragraph (iii), or (b) in case the provisions relating to the occurrence of a Regulatory Event in case of a Benchmark Event are specified as applicable in the relevant Final Terms or the provisions relating to the occurrence of an MREL Disqualification Event in case of a Benchmark Event is specified as applicable in the relevant Final Terms (as applicable), the provisions under this Condition 7(j) would cause the occurrence of a Regulatory Event or an MREL Disqualification Event (as applicable), or (c) in the case of Senior Preferred Notes or Senior Non-Preferred Notes only, the provisions under this Condition 6(j) would result in the Relevant Authority treating an Interest Payment Date as the effective maturity date of the Notes, rather than the relevant Maturity Date, ***then*** the Reference Rate applicable to such Interest Period shall be equal to the Reference Rate for a term equivalent to the Relevant Interest Period published on the Relevant Screen Page as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the margin relating to that last preceding Interest Period). For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period, and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 6(j). Notwithstanding any other provision of this Condition 7(j), none of the Fiscal Agent or the Calculation Agent shall be obliged to concur with the Issuer in respect of any Benchmark Amendments which, in the sole opinion of the Fiscal Agent or the Calculation Agent (as applicable), would have the effect of increasing the obligations or duties, or decreasing the rights or protections, of the Calculation Agent or the Fiscal Agent (as applicable) in the Agency Agreement for the Italian Law Notes in Physical Form and/or these Conditions.";

(iv) if a Successor Rate or an Alternative Benchmark Rate and an Alternative Relevant Screen Page is determined in accordance with the preceding provisions, such Successor Rate or Alternative Benchmark Rate and Alternative Relevant Screen Page shall be the benchmark and the Relevant Screen Page in relation to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 6(j));

(v) if the Issuer, following consultation with the Independent Adviser and acting in good faith, determines that (a) an Adjustment Spread is required to be applied to the Successor Rate or Alternative Benchmark Rate and (b) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or Alternative Benchmark Rate for each subsequent determination of a relevant Rate of Interest and Interest Amount(s) (or a component part thereof) by reference to such Successor Rate or Alternative Benchmark Rate;

(vi) if a Successor Rate or an Alternative Benchmark Rate and/or Adjustment Spread is determined in accordance with the above provisions, the Independent Adviser (with the

Issuer's agreement) or the Issuer (as the case may be), may also specify amendments to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate or Alternative Benchmark Rate and/or Adjustment Spread, which amendments shall apply to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 6(j)); and

(vii) the Issuer shall promptly following the determination of any Successor Rate or Alternative Benchmark Rate and Alternative Relevant Screen Page and Adjustment Spread (if any) give notice thereof and of any changes pursuant to sub-paragraph (vi) above to the Calculation Agent, the Fiscal Agent and the Noteholders in accordance with Condition 18 (*Notices*). Prior to any amendment being effected under this Condition 7(j) due to a Benchmark Event (each, a "**Benchmark Amendment**") taking effect, the Issuer shall provide a certificate signed by two Authorised Signatories to the Fiscal Agent, the Calculation Agent and the Paying Agent confirming, in the Issuer's reasonable opinion (following consultation with the Independent Adviser), (i) that a Benchmark Event has occurred, (ii) the Successor Rate or Alternative Reference Rate (as applicable), (iii) where applicable, any Adjustment Spread and (iv) where applicable, the terms of any Benchmark Amendments in each case determined in accordance with this Condition 6 that such Benchmark Amendments are necessary to give effect to any application of this Condition 6 and the Fiscal Agent, the Calculation Agent and the Paying Agent shall be entitled to rely on such certificate without further enquiry or liability to any person. For the avoidance of doubt, the Fiscal Agent, the Calculation Agent and the Paying Agent shall not be liable to the Noteholders, the Couponholders or any other person for so acting or relying on such certificate, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person. The Successor Rate or Alternative Benchmark Rate (as applicable) or where applicable, any Adjustment Spread and any Benchmark Amendments and without prejudice to the Fiscal Agent, the Calculation Agent and the Paying Agent ability to rely on such certificate (as aforesaid) will be binding on the Issuer, the Agents (or such other Calculation Agent specified in the applicable Final Terms), the other Paying Agents, the Noteholders and the Couponholders.

(viii) For the avoidance of doubt, no consent of the Noteholders shall be required for a variation (as applicable) of the Notes in accordance with Condition 6(j)(vii) above and the Fiscal Agent, the Calculation Agent and the Paying Agent shall, at the direction and expense of the Issuer, but subject to receipt by the Fiscal Agent, the Calculation Agent and the Paying Agent of a certificate signed by two Authorised Signatories (as aforesaid), be obliged to concur with the Issuer in using its reasonable endeavours to effect any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed and, if required, the Agency Agreement for the Italian Law Notes in Physical Form), provided it would not, in the Fiscal Agent's or the Calculation Agent's or the Paying Agent's opinion, have the effect of increasing the obligations or duties, or decreasing the rights or protection, of the Fiscal Agent, the Calculation Agent and the Paying Agent in the Agency Agreement for the Italian Law Notes in Physical Form and/or these Conditions.

(ix) Notwithstanding any other provision of this Condition 7(j), if in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 7(j), the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

(k) *Maximum or Minimum Rate of Interest*: If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

(l) *Change of Interest Basis.* If Change of Interest Basis is specified as applicable in the applicable Final Terms, the interest payable in respect of the Notes will be calculated in accordance with Condition 5 (*Fixed Rate Note Provisions*) or this Condition 6, each applicable only for the relevant periods specified in the applicable Final Terms.

If Change of Interest Basis is specified as applicable in the applicable Final Terms, and Issuer's Switch Option is also specified as applicable in the applicable Final Terms, the Issuer may, on one or more occasions, as specified in the applicable Final Terms, at its option (any such option, a "**Switch Option**"), having given notice to the Noteholders in accordance with Condition 18 (*Notices*) on or prior to the relevant Switch Option Expiry Date, change the Interest Basis of the Notes from Fixed Rate to Floating Rate or Floating Rate to Fixed Rate or as otherwise specified in the applicable Final Terms with effect from (and including) the Switch Option Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date (or, where more than one Switch Option Effective Date is specified in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date), *provided that* (A) the Switch Option may be exercised only in respect of all the outstanding Notes, (B) upon exercise of a Switch Option, the Interest Basis change will be effective from (and including) the relevant Switch Option Effective Date until the Maturity Date (or, where more than one Switch Option Effective Date is specified as applicable in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date to the extent the related Switch Option is exercised), and (C) where a Switch Option has not been exercised prior to the relevant Switch Option Expiry Date, the Issuers shall no longer be entitled to exercise such Switch Option and the Interest Basis shall not change.

"**Switch Option Expiry Date**" and "**Switch Option Effective Date**" shall mean any date specified as such in the applicable Final Terms *provided that* any date specified in the applicable Final Terms as a Switch Option Effective Date shall be deemed as such subject to the exercise of the relevant Switch Option having been notified to the Issuer pursuant to this Condition and in accordance with Condition 18 (*Notices*) prior to the relevant Switch Option Expiry Date.

(m) *Calculation of Interest Amount*: The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount of such Note during such Interest Period and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit rounded upwards). For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where the Specified Denomination of a Floating Rate Note or an Inflation-Linked Interest Note is the multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amounts (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

(n) *Calculation of other amounts*: If the relevant Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms.

(o) *Publication*: The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Issuer, the Paying Agents and each stock exchange (if any) on which the Notes are then listed as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders in accordance with Condition 18 (*Notices*). The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.

(p) *Notifications etc*: All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to any such person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

7. **Inflation-Linked Note**

This Condition 7 is applicable to the Notes only if the Inflation-Linked Notes Provisions are specified in the relevant Final Terms as being applicable.

(a) ***Inflation-Linked Note Provisions***

(i) *Rate of Interest – Inflation-Linked Notes*

The Rate of Interest payable from time to time in respect of [YoY] Inflation-Linked Notes, for each Interest Period, shall be determined by the Calculation Agent, or other party specified in the Final Terms, on the relevant Determination Date in accordance with the following formula:

Rate of Interest = [[Index Factor]*[YoY] Inflation] + Margin

subject to the Minimum Rate of Interest or the Maximum Rate of Interest if, in either case, designated as applicable in the applicable Final Terms in which case the provisions of Condition 6(k) (*Maximum or Minimum Rate of Interest*) above shall apply as appropriate.

Where:

"**Index Factor**" has the meaning given to it in the applicable Final Terms, *provided that* if Index Factor is specified as "**Not Applicable**", the Index Factor shall be deemed to be equal to one;

"**Inflation Index**" has the meaning given to it in the applicable Final Terms;

"**[YoY] Inflation**" means in respect of the Specified Interest Payment Date falling in month (t), the value calculated in accordance with the following formula:

$$\left[\frac{InflationIndex(t)}{InflationIndex(t-1)}-1\right]$$

"**Inflation Index (t)**" means the value of the Inflation Index for the Reference Month in the calendar year in which the relevant Specified Interest Payment Date and/or the Maturity Date falls;

"**Inflation Index (t-1)**" means the value of the Inflation Index for the Reference Month in the calendar year preceding the calendar year in which the relevant Specified Interest Payment Date falls;

"**Margin**" has the meaning given to it in the applicable Final Terms;

"**Reference Month**" has the meaning given to it in the applicable Final Terms; and

The Rate of Interest shall be rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.

(ii) *Redemption Amount – [YoY] Inflation-Linked Notes*

The Final Redemption Amount payable on the Maturity Date in respect of [YoY] Inflation-Linked Notes may be (i) 100% of the Nominal Amount of the Notes or (ii) (if so specified in

the applicable Final Terms) a [YoY] Indexed Redemption Amount to be calculated on the [Maturity Date/ relevant Determination Date] on the basis of the following formula:

[[YoY] Indexed Redemption Amount = Nominal Amount x (Inflation Index (t)/Inflation Index (0))]

Where:

"**Inflation Index (t)**" means the value of the Inflation Index for the Reference Month in the calendar year in which the relevant Specified Interest Payment Date and/or the Maturity Date falls; and

"**Inflation Index (0)**" means the value of the Inflation Index for the Reference Month in the calendar year in which the relevant Issue Date falls.

The [YoY] Indexed Redemption Amount may be subject to a minimum or a maximum amount (if so specified in the applicable Final Terms) *provided that* under no circumstances shall the Final Redemption Amount be less than the Nominal Amount of the Notes.

(iii) *Inflation-Linked Note Provisions*

Unless previously redeemed or purchased and cancelled in accordance with this Condition 7 or as specified in the applicable Final Terms and subject to this Condition 7, each Inflation-Linked Note will bear interest in the manner specified in the applicable Final Terms and the Conditions.

The following provisions apply to Inflation-Linked Notes:

"**Additional Disruption Event**" means any of Change of Law, Hedging Disruption and/or Increased Cost of Hedging, in each case if specified in the applicable Final Terms, and such other events (if any) specified as an Additional Disruption Event in the applicable Final Terms.

"**Change of Law**" means that, on or after the Trade Date (as specified in the applicable Final Terms):

(A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or

(B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority),

the Calculation Agent determines in its discretion that (i) it has become illegal to hold, acquire or dispose of any relevant hedging arrangements in respect of the Inflation Index, or (ii) any Hedging Party will incur a materially increased cost in performing its obligations in relation to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuers, any of its affiliates or any other Hedging Party).

"**Cut-Off Date**" means, in respect of a Determination Date, five (5) Business Days prior to any due date for payment under the Notes for which valuation on the relevant Determination Date is relevant, unless otherwise stated in the applicable Final Terms.

"**Delayed Index Level Event**" means, in respect of any Determination Date and an Inflation Index, that the relevant Inflation Index Sponsor fails to publish or announce the level of such Inflation Index (the Relevant Level) in respect of any Reference Month which is to be utilised in any calculation or determination to be made by the Issuer in respect of such Determination Date, at any time on or prior to the Cut-Off Date.

"**Determination Date**" means each date specified as such in the applicable Final Terms.

"**End Date**" means each date specified as such in the applicable Final Terms.

"**Fallback Bond**" means, in respect of an Inflation Index, a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the relevant Inflation Index relates and which pays a coupon or redemption amount which is calculated by reference to such Inflation Index, with a maturity date which falls on (a) the End Date specified in the applicable Final Terms, (b) the next longest maturity after the End Date if there is no such bond maturing on the End Date, or (c) the next shortest maturity before the End Date if no bond defined in limb (a) or (b) above is selected by the Calculation Agent. If the relevant Inflation Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems, the Calculation Agent will select a new Fallback Bond on the same basis, but notwithstanding the immediately prior sentence, selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

"**Hedging Disruption**" means that any Hedging Party is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the relevant price risk of the Issuer) issuing and performing its obligations with respect to the Notes, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s), as determined by the Calculation Agent.

"**Hedging Party**" means at any relevant time, the Issuer, or any of its affiliates or any other party providing the Issuer directly or indirectly with hedging arrangements in relation to the Notes as the Issuer may select at such time.

"**Increased Cost of Hedging**" means that any Hedging Party would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, price risk, foreign exchange risk and interest rate risk) of the Issuer issuing and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), *provided that* any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its affiliates shall not be deemed an Increased Cost of Hedging.

"**Inflation Index**" means each inflation index specified in the applicable Final Terms and related expressions shall be construed accordingly.

"**Inflation Index Sponsor**" means, in relation to an Inflation Index, the entity that publishes or announces (directly or through an agent) the level of such Inflation Index which, as of the Issue Date, is the Inflation Index Sponsor specified in the applicable Final Terms.

"**Reference Month**" means the calendar month for which the level of the Inflation Index is reported as specified in the applicable Final Terms, regardless of when this information is published or announced, except that if the period for which the Relevant Level was reported is a period other than a month, the Reference Month shall be the period for which the Relevant Level is reported.

"**Related Bond**" means, in respect of an Inflation Index, the bond specified as such in the applicable Final Terms. If the Related Bond specified in the applicable Final Terms is

"Fallback Bond", then, for any Related Bond determination, the Calculation Agent shall use the Fallback Bond. If no bond is specified in the applicable Final Terms as the Related Bond and "Fallback Bond: Not Applicable" is specified in the applicable Final Terms, there will be no Related Bond. If a bond is specified as the Related Bond in the applicable Final Terms and that bond redeems or matures before the End Date (i) unless "Fallback Bond: Not Applicable" is specified in the applicable Final Terms, the Calculation Agent shall use the Fallback Bond for any Related Bond determination and (ii) if "Fallback Bond: Not Applicable" is specified in the applicable Final Terms, there will be no Related Bond.

"**Relevant Level**" has the meaning set out in the definition of "Delayed Index Level Event" above.

(iv) *Inflation Index Delay and Disruption Provisions*

(A) *Delay in Publication*

If the Calculation Agent determines that a Delayed Index Level Event in respect of an Inflation Index has occurred with respect to any Determination Date, then the Relevant Level for such Inflation Index with respect to the relevant Reference Month subject to such Delayed Index Level Event (the "**Substitute Index Level**") shall be determined by the Calculation Agent as follows:

(1) if "Related Bond" is specified as applicable for such Inflation Index in the relevant Final Terms, the Calculation Agent shall determine the Substitute Index Level by reference to the corresponding index level determined under the terms and conditions of the relevant Related Bond;

(2) if (I) "Related Bond" is not specified as applicable for such Inflation Index in the relevant Final Terms, or (II) the Calculation Agent is not able to determine a Substitute Index Level under Condition 7(a)(i) (*Rate of Interest – Inflation-Linked Notes*) above, the Calculation Agent shall determine the Substitute Index Level by reference to the following formula:

Substitute Index Level = Base Level x (Latest Level/Reference Level);

or

(3) otherwise in accordance with any formula specified in the relevant Final Terms,

in each case as of such Determination Date,

where:

"**Base Level**" means, in respect of an Inflation Index, the level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

"**Latest Level**" means, in respect of an Inflation Index, the latest level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index Sponsor prior to the month in respect of which the Substitute Index Level is being determined.

"**Reference Level**" means, in respect of an Inflation Index, the level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index Sponsor in respect of the month that is 12 calendar months prior to the month in respect of the Latest Level.

The Issuers shall give notice to Noteholders, in accordance with Condition 18 (*Notices*) of any Substitute Index Level calculated pursuant to Condition 7(a)(ii) (*Redemption Amount – [YoY] Inflation-Linked Notes*) above, the Calculation Agent shall determine the Substitute Index Lev.

If the Relevant Level (as defined above) is published or announced at any time on or after the relevant Cut-off Date, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to this Condition 7 will be the definitive level for that Reference Month.

(B) *Cessation of Publication*

If the Calculation Agent determines that the level for the Inflation Index has not been published or announced for two (2) consecutive months, the Inflation Index Sponsor announces that it will no longer continue to publish or announce the Inflation Index or the Inflation Index Sponsor otherwise cancels the Inflation Index, then the Calculation Agent shall determine a successor inflation index (the "**Successor Inflation Index**") (in lieu of any previously applicable Inflation Index) for the purposes of the Inflation-Linked Notes by using the following methodology:

(1) if at any time (other than after an early redemption or cancellation event has been designated by the Calculation Agent pursuant to Condition 7(iv)(A)(1) (*Delay in Publication*) above), a successor inflation index has been designated by the calculation agent (or equivalent) pursuant to the terms and conditions of the Related Bond, such successor inflation index shall be designated a "Successor Inflation Index" notwithstanding that any other Successor Inflation Index may previously have been determined under Conditions 7(iv)(B)(2), 7(iv)(B)(3) or 7(iv)(B)(4) below;

(2) if a Successor Inflation Index has not been determined pursuant to Condition 7(iv)(B)(1) above, and a notice has been given or an announcement has been made by the Inflation Index Sponsor, specifying that the Inflation Index will be superseded by a replacement Inflation Index specified by the Inflation Index Sponsor, and the Calculation Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Inflation Index, such replacement index shall be the Inflation Index for purposes of the Inflation-Linked Notes from the date that such replacement Inflation Index comes into effect;

(3) if a Successor Inflation Index has not been determined pursuant to Condition 7(iv)(B)(1) or 7(iv)(B)(2) above, the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Inflation Index should be. If four or five responses are received and, of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the "**Successor Inflation Index**". If three responses are received and two or more leading independent dealers state the same index, this index will be deemed the "Successor Inflation Index". If fewer than three responses are received or no Successor Inflation Index is determined pursuant to this Condition 7(iv)(B)(3), the Calculation Agent will proceed to Condition 7(iv)(B)(4) below;

(4) if no replacement index or Successor Inflation Index has been determined under Conditions 7(iv)(B)(1), 7(iv)(B)(2) and 7(iv)(B)(3) above by the next occurring Cut-Off Date, the Calculation Agent, subject as provided below, will determine an appropriate alternative index from such Cut-Off Date, and such index will be deemed a "Successor Inflation Index"; or

(5) if the Calculation Agent determines that there is no appropriate alternative index in relation to Inflation-Linked Notes, on giving notice to Noteholders in accordance with Condition 18 (*Notices*), the Issuer shall redeem or cancel, as applicable all but not some only of the Inflation-Linked Notes, each Inflation-Linked Note being redeemed or cancelled, as applicable by payment of the relevant Early Redemption Amount. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 18 (*Notices*).

(C) *Rebasing of the Inflation Index*

If the Calculation Agent determines that the Inflation Index has been or will be rebased at any time, the Inflation Index as so rebased (the "**Rebased Index**") will be used for purposes of determining the level of the Inflation Index from the date of such rebasing; *provided, however, that* the Calculation Agent shall make adjustments as are made by the calculation agent (or equivalent) pursuant to the terms and conditions of the Related Bond, if "Related Bond" is specified as applicable in the applicable Final Terms, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Inflation Index before it was rebased, or, if "Related Bond" is not specified as applicable in the applicable Final Terms, the Calculation Agent shall make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Inflation Index before it was rebased.

(D) *Material Modification Prior to Last Occurring Cut-Off*

If, on or prior to the last occurring Cut-Off Date, the Inflation Index Sponsor announces that it will make a material change to the Inflation Index then the Calculation Agent shall make any such adjustments, if "Related Bond" is specified as applicable in the applicable Final Terms, consistent with adjustments made to the Related Bond, or, if "Related Bond" is not specified as applicable in the applicable Final Terms, only those adjustments to the Inflation Index necessary for the modified Inflation Index to continue as the Inflation Index.

(E) *Manifest Error in Publication*

With the exception of any corrections published after the day which is three (3) Business Days prior to the relevant Maturity Date, if, within thirty (30) calendar days of publication, the Calculation Agent determines that the Inflation Index Sponsor has corrected the level of the Inflation Index to remedy a manifest error in its original publication, the Calculation Agent may, in its discretion, make such adjustments to the terms of the Inflation-Linked Notes as it determines appropriate to account for the correction and will notify the Noteholders of any such adjustments in accordance with Condition 18 (*Notices*).

(F) *Consequences of an Additional Disruption Event*

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may at its option:

(1) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any terms of the Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(2) redeem or cancel, as applicable, all but not some of the Inflation-Linked Notes on the date notified by the Calculation Agent to Noteholders in accordance with Condition 18 (*Notices*) by payment of the relevant Early Redemption Amount, as at the date of redemption or cancellation, as applicable, taking into account the relevant Additional Disruption Event. The

redemption or cancellation referred to in this Condition 7(a)(iv) (*Inflation Index Delay and Disruption Provisions*) shall be subject to (i) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, Condition 9(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*) and (ii) in case of Subordinated Notes, Condition 9(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

(G) *Inflation Index Disclaimer*

The Notes are not sponsored, endorsed, sold or promoted by the Inflation Index or the Inflation Index Sponsor and the Inflation Index Sponsor does not make any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Inflation Index and/or the levels at which the Inflation Index stands at any particular time on any particular date or otherwise. Neither the Inflation Index nor the Inflation Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Inflation Index and the Inflation Index Sponsor is under no obligation to advise any person of any error therein. The Inflation Index Sponsor is not making any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. The Issuer shall have no liability to the Noteholders for any act or failure to act by the Inflation Index Sponsor in connection with the calculation, adjustment or maintenance of the Inflation Index. Except as disclosed prior to the Issue Date specified in the applicable Final Terms, neither the Issuer nor their affiliates have any affiliation with or control over the Inflation Index or the Inflation Index Sponsor or any control over the computation, composition or dissemination of the Inflation Index. Although the Calculation Agent will obtain information concerning the Inflation Index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer, its affiliates or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning the Inflation Index.

8. **Zero Coupon Note Provisions**

(a) *Application*: This Condition 8 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Late payment on Zero Coupon Notes*: If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Fiscal Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

9. **Redemption and Purchase**

(a) *Scheduled redemption:* Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 10 *(Payments).*

Unless previously redeemed, or purchased, or cancelled, the Subordinated Notes will be redeemed in whole at their Final Redemption Amount on the Maturity Date, in the manner provided for in Condition

10 (*Payments*). The Subordinated Notes are not redeemable at the option of the Noteholders and the Issuer shall have the right to call, redeem, repay or repurchase the Subordinated Notes only in accordance with and subject to the conditions set out in Articles 77 and 78 of the CRR being met and not prior to five (5) years from their Issue Date, except where the conditions set out in Article 78 of the CRR are met (see Condition 9(b) (*Redemption for tax reasons*), Condition 9(c) (*Redemption at the option of the Issuer*), Condition 9(f)(*Redemption of Subordinated Notes for regulatory reasons (Regulatory Call)*), Condition 9(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*), Condition 9(k) (*Purchase*), Condition 9(o) (*Regulatory conditions for call, redemption, repayment or repurchase of Subordinated Notes) and Condition 9(n) (Regulatory conditions for call, redemption, repayment or repurchase of Senior Preferred Notes and Senior Non-Preferred Notes*)).

(b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuers in whole, but not in part:

(i) at any time (if neither the Floating Rate Note Provisions or the Inflation-Linked Note Provisions are specified in the relevant Final Terms as being applicable); or

(ii) on any Interest Payment Date (if the Floating Rate Note Provisions or the Inflation-Linked Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if (1) the Issuers have or will become obliged to pay additional amounts as provided or referred to in Condition 11 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or Australia, or any political subdivision or any authority or agency thereof or therein, or any change in the application or interpretation or administration of such laws or regulations, which change or amendment (such change or amendment being material and not reasonably foreseeable at the Issue Date in the case of Subordinated Notes) becomes effective on or after the date of issue of the first Tranche of the Notes; and (2) such obligation cannot be avoided by the Issuers taking reasonable measures available to it (any such event, a "**Tax Event**").

At least 15 days prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Fiscal Agent to make available at its specified office to the Noteholders a certificate signed by two duly authorised officers of the Issuer stating that the Issuers are entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred (and such evidence shall be conclusive and binding on the Noteholders). Upon the expiry of any such notice as is referred to in this Condition 9(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 9(b).

In the case of Subordinated Notes, the redemption referred to in this Condition 9(b) shall be subject to Condition 9(n) (*Regulatory conditions for call, redemption, repayment or repurchase of Subordinated Notes*).

In the case of Senior Preferred Notes and Senior Non-Preferred Notes, the redemption referred to in this Condition 9(b) shall be subject to Condition 9(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(c) *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer giving not less than 15 nor more than 30 days' notice to the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

In the case of Subordinated Notes, no Call Option in accordance with this Condition 9(c) may be exercised by the Issuer to redeem, in whole or in part, such Notes prior to the fifth anniversary of their Issue Date. After the fifth anniversary of such Issue Date, the redemption referred to in this Condition

9(c) shall be subject to Condition 9(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

In the case of Senior Preferred Notes and Senior Non-Preferred Notes, the redemption referred to in this Condition 9(c) shall be subject to Condition 9(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(d) *Partial redemption*:

(i) *Partial Redemption of Bearer Notes*: If Bearer Notes are to be redeemed in part only on any date in accordance with Condition 9(c) (*Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected by the drawing of lots in such place as the Fiscal Agent approves and in such manner as the Fiscal Agent considers appropriate, subject to compliance with applicable law and the rules of each stock exchange on which the Notes are then listed, and the notice to Noteholders referred to in Condition 9(c) (*Redemption at the option of the Issuer*) shall specify the serial numbers of the Notes so to be redeemed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

(ii) *Partial Redemption of Registered Notes*: If Registered Notes are to be redeemed in part only on any date in accordance with Condition 9(c) (*Redemption at the option of the Issuer*), each Registered Note shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Registered Notes to be redeemed on the relevant Option Redemption Date (Call) bears to the aggregate principal amount of outstanding Registered Notes on such date.

(e) *Redemption at the option of Noteholders*:

This provision is not applicable to Senior Non-Preferred Notes and Subordinated Notes.

If the Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the Holder of any Note, redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. The applicable Final Terms contains provisions applicable to any Put Option and must be read in conjunction with this Condition 9(e) for full information on any Put Option. In particular, the applicable Final Terms will identify the Optional Redemption Date (Put), the Optional Redemption Amount (Put) and the applicable notice periods.

If the Put Option is specified as being applicable in the applicable Final Terms, the Holder of any Note must, in accordance with Condition 18 (*Notices*), not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms, deposit with any Agent such Note together, in the case of Bearer Notes, with all unmatured Coupons relating thereto and a duly completed Put Option Notice in the form obtainable from any Agent. The Agent with which a Note is so deposited shall immediately notify the Issuer and shall deliver a duly completed Put Option Receipt to the depositing Holder. No Note, once deposited with a duly completed Put Option Notice in accordance with this Condition 9(e), may be withdrawn; *provided, however, that* if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put), payment of the redemption moneys is improperly withheld or refused, the relevant Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt. For so long as any outstanding Note is held by an Agent in accordance with this Condition 9(e), the depositor of such Note and not such Agent shall be deemed to be the holder of Note for all purposes.

(f) *Redemption of Subordinated Notes for regulatory reasons (Regulatory Call)*: If Regulatory Call is specified in the applicable Final Terms and if the Issuer notify the Noteholders of the occurrence of a Regulatory Event, the Issuer may redeem such Subordinated Notes, in whole but not in part, at the Early Redemption Amount specified in the applicable Final Terms, together with any accrued but

unpaid interest to the date fixed for redemption, *provided that* (to the extent required by applicable law or regulation) the Issuer has given not less than the minimum period nor more than the maximum period of notice to the Agents and the Noteholders of such Subordinated Notes (such notice being irrevocable) specifying the date fixed for such redemption.

Upon the expiry of such notice period, the Issuer shall be bound to redeem the Subordinated Notes accordingly.

The redemption referred to in this Condition 9(f) shall be subject to Condition 9(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

(g) *Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event:* If redemption at the option of the Issuer due to an MREL Disqualification Event is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to the Noteholders in accordance with Condition 18 (*Notices*) (which notice shall specify the date fixed for redemption) and the Agents, redeem the Senior Preferred Notes or the Senior Non-Preferred Notes, in whole but not in part, then outstanding at any time (if the Senior Preferred Note or the Senior Non-Preferred Note is not a Floating Rate Note or an Inflation-Linked Note) or on any Interest Payment Date (if this Senior Preferred Note or the Senior Non-Preferred Note is a Floating Rate Note or an Inflation-Linked Note) at the Early Redemption Amount specified in the applicable Final Terms, together with any accrued but unpaid interest to the date fixed for redemption, if the Issuer determines that an MREL Disqualification Event has occurred and is continuing. Upon the expiry of any such notice as is referred to in this Condition 9(g), the Issuer shall redeem the Notes in accordance with this Condition 9(g).

The redemption referred to in this Condition 9(g) shall be subject to Condition 9(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(h) *Clean-up redemption at the option of the Issuer:* If a clean-up redemption option (the "**Clean-Up Redemption Option**") is specified as applicable in the Final Terms, and if 75 per cent. or any higher percentage specified in the relevant Final Terms (the "**Clean-Up Percentage**") of the initial aggregate principal amount of the Notes of the same Series (which for the avoidance of doubt includes, any additional Notes issued subsequently and forming a single series with the first Tranche of a particular Series of Notes) have been redeemed or purchased by, or on behalf of, the Issuer and cancelled, the Issuer may, at their option, and having given to the Noteholders not less than 5 nor more than 30 calendar days' notice (the "**Clean-Up Redemption Notice**"), in accordance with Condition 18 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem such outstanding Notes, in whole but not in part, at their clean-up redemption amount ("**Clean-Up Redemption Amount**") together, if appropriate, with accrued interest to (but excluding) the date of redemption, on the date fixed for redemption identified in the Clean-Up Redemption Notice.

In the case of Subordinated Notes, the redemption referred to in this Condition 9(h) shall be subject to Condition 9(n) (*Regulatory conditions for call, redemption, repayment or repurchase of Subordinated Notes*).

In the case of Senior Notes and Senior Non-Preferred Notes, the redemption referred to in this Condition 9(h) shall be subject to Condition 9(o) (*Regulatory conditions for call, redemption, repayment or repurchase of Senior Notes and Senior Non-Preferred Notes*).

(i) *No other redemption*: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Coniditions 9(a) (*Scheduled redemption*) to 9(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*) above.

(j) *Early redemption of Zero Coupon Notes*: Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 9(j) or, if none is so specified, a Day Count Fraction of Actual/Actual (or 30/360 if such request is made to and accepted by the respective Issuer).

(k) *Purchase*: The Issuer may, including for market making purposes, purchase Notes in the open market or otherwise and at any price, *provided that* all unmatured Coupons are purchased therewith. Such Notes may be held, resold or, at the option of the purchaser, surrendered to any Paying Agent for cancellation. The repurchases referred to in this Condition 9(k) shall be subject to Condition 9(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes) and Condition 9(o) (Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(l) *Cancellation*: All Notes so redeemed by the Issuers and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold.

(m) *Redemption Amount*: For the avoidance of doubt, in no event will the Redemption Amount of any Notes issued by Intesa Sanpaolo be lower than the principal amount of the Notes.

(n) *Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*: In the case of Subordinated Notes, any call, redemption, repayment or repurchase of such Notes in accordance with Condition 7(a)(iv) (*Inflation Index Delay And Disruption Provisions*), Condition 9 (*Redemption for tax reasons*), Condition 9(c) (*Redemption at the option of the Issuer*), Condition 9(f) (*Redemption of Subordinated Notes for regulatory purposes (Regulatory Call)*), Condition 10(h) (*Clean-up redemption at the option of the Issuer*), Condition 9(k) (*Purchase*) or Condition 16 (*Meetings of Noteholders; Modification and Waiver; Substitution*) (including, for the avoidance of doubt, any modification in accordance with Condition 16 (*Meetings of Noteholders; Modification and Waiver; Substitution)*) is subject to conditions compliance with the then applicable Banking Regulations, including, as relevant:

(i) the Issuer having obtained the prior permission of the Relevant Authority in accordance with Articles 77 and 78 of the CRR, as amended or replaced from time to time, where either:

(A) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Subordinated Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(B) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds would, following such call, redemption, repayment or repurchase, exceed the capital requirements laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; and

(ii) in respect of a call, redemption repayment or repurchase prior to the fifth anniversary of the Issue Date of the relevant Subordinated Notes, if and to the extent required under Article 78(4) of the CRR or the Capital Instruments Regulation:

(A) in the case of redemption pursuant to Condition 9(b) (*Redemption for tax reasons*), the Issuer having demonstrated to the satisfaction of the Relevant Authority that the change in the applicable tax treatment of the Notes is material and was not reasonably foreseeable as at the Issue Date; or

(B) in case of redemption pursuant to Condition 9(f) (*Redemption of Subordinated Notes for regulatory reasons (Regulatory Call)*), a Regulatory Event has occurred; or

(C) on or before the relevant call, redemption, repayment or repurchase, the Issuer replaces the Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for income capacity of the Issuer and the Relevant Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or

(D) the Subordinated Notes are repurchased for market making purposes,

subject in any event to any alternative or additional conditions or requirements as may be applicable from time to time under the Applicable Banking Regulations.

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) the Subordinated Notes, in the limit of a predetermined amount, which shall not exceed the lower of (i) 10 per cent. (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the aggregate nominal amount of the relevant Subordinated Notes and (ii) 3 per cent. (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the outstanding aggregate nominal amount of the Tier 2 Instruments of the Issuer at the relevant time, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out at letters (A) and (B) of sub-paragraph (i) of the preceding paragraph.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78 of the CRR shall not constitute a default of the Issuer for any purposes.

(o) *Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*: Any call, redemption, repayment or repurchase in accordance with Condition 8(a)(iv) (*Inflation Index Delay and Disruption Provisions*), Condition 9(b) (*Redemption for tax reasons*), Condition 9(c) (*Redemption at the option of the Issuer*), Condition 9(k) (*Purchase*), Condition 9(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*), Condition 10(h) (*Clean-up redemption at the option of the Issuer*) or Condition 16 (*Meetings of Noteholders; Modification and Waiver; Substitution*) (including, for the avoidance of doubt, any modification in accordance with Condition 16 (*Meetings of Noteholders; Modification and Waiver; Substitution*)) of Senior Preferred Notes or Senior Non-Preferred Notes is subject, to the extent such Senior Preferred Notes or Senior Non-Preferred Notes qualify at such time as liabilities that are eligible to meet the MREL Requirements (Eligible Liabilities Instruments) or, in case of a redemption pursuant to Condition 9(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*), qualified as liabilities that are eligible to meet the MREL Requirements before the occurrence of the MREL Disqualification Event, to compliance with the then applicable Banking Regulations, including, as relevant, the condition that the Issuer has obtained the prior permission of the Relevant Authority in accordance with Article 78a of the CRR, where one of the following conditions is met:

(i) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Relevant Notes with Own Funds instruments or Eligible Liabilities Instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(ii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds and Eligible Liabilities would, following such call, redemption, repayment or repurchase, exceed the requirements for Own Funds and Eligible Liabilities laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; or

(iii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that the partial or full replacement of the relevant Notes with Own Funds Instruments is necessary to ensure compliance with the Own Funds requirements laid down in the Applicable Banking Regulations for continuing authorisation,

subject in any event to any different conditions or requirements as may be applicable from time to time under the Applicable Banking Regulations.

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) Senior Preferred Notes or Senior Non-Preferred Notes, in the limit of a predetermined amount, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out in sub-paragraphs (i) and (ii) of the preceding paragraph.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78a of the CRR shall not constitute a default of the Issuer for any purposes.

10. **Payments**

Payments under Bearer Notes

(a) *Principal*: Payments of principal shall be made only against presentation and (*provided that* payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States (i) in the case of a currency other than Renminbi, by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency, and (ii) in the case of Renminbi, by transfer to an account denominated in that currency and maintained by the payee with a bank in the Principal Financial Centre and each (if any) Additional Financial Centre of that currency.

(b) *Interest*: Payments of interest shall, subject to Condition 10(h) (*Payments other than in respect of matured Coupons*) be made only against presentation and (*provided that* payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in Condition 10(a) (*Principal*) above.

(c) *Payments in New York City*: Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuers have appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Bearer Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.

(d) *Payments subject to fiscal laws*: All payments in respect of the Bearer Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 11 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the Code) or otherwise imposed pursuant to Section 1471 through 1474 of the Code, any regulation or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(e) *Deductions for unmatured Coupons*: If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented for payment on redemption without all unmatured Coupons relating thereto:

(i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; *provided, however, that* if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;

(ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment such missing Coupons shall become void.

Each sum of principal deducted pursuant to paragraph (i) above shall be paid in the manner provided in Condition 10(a) (*Principal*) above against presentation and (*provided that* payment is made in full) surrender of the relevant missing Coupons.

(f) *Unmatured Coupons void*: If the relevant Final Terms specifies that the Floating Rate Note Provisions or the Inflation-Linked Note Provisions are applicable, on the due date for final redemption of any Note or early redemption of such Note pursuant to Condition 9(b) (*Redemption for tax reasons*), Condition 9(c) (*Redemption at the option of the Issuers*), Condition 9(e) (*Redemption at the option of Noteholders*) or Condition 12 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.

(g) *Payments on business days*: If the due date for payment of any amount in respect of any Note or Coupon is not a Payment Business Day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.

(h) *Payments other than in respect of matured Coupons*: Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Notes at the Specified Office of any Agent outside the United States (or in New York City if permitted by Condition 10(c) (*Payments in New York City*) above).

(i) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

(j) *Exchange of Talons*: On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Fiscal Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 13 (*Prescription*)). Upon the due date for redemption of any Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

Payments under Registered Notes

(k) *Principal*: Payments of principal shall be made (i) in the case of a currency other than Renminbi, by cheque drawn in the currency in which the payment is due on or, upon application by a Registered Holder to the specified office of the Fiscal Agent not later than the 15th day before the due date for any such payment, by transfer to an account denominated in such currency (or, if that currency is euro, any other account to which euro may be credited or transferred) maintained by the payee with a bank in the Principal Financial Centre of such currency, and (ii) in the case of Renminbi, by transfer to an account denominated in that currency and maintained by the payee with a bank in the Principal Financial Centre and each (if any) Additional Financial Centre of that currency, and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

(l) *Interest*: Payments of interest shall be made (i) in the case of a currency other than Renminbi, by cheque drawn in the currency in which the payment is due on or, upon application by a Registered Holder to the specified office of the Fiscal Agent not later than the 15th day before the due date for any such payment, by transfer to an account denominated in such currency (or, if that currency is euro, any other account to which euro may be credited or transferred) maintained by the payee with a bank in the Principal Financial Centre and each (if any) Additional Financial Centre of such currency, and (ii) in the case of Renminbi, by transfer to an account denominated in that currency and maintained by the payee with a bank in the Principal Financial Centre of that currency, and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

(m) *Payments subject to fiscal laws*: All payments in respect of the Registered Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 11 (*Taxation*) and (ii) any withholding or deduction required pursuant

to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to Section 1471 through 1474 of the Code, any regulation or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(n) *Payments on business days*: Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not a Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of an Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Registered Holder shall not be entitled to any interest or other payment in respect of any delay in payment resulting from (A) the due date for a payment not being a business day or (B) a cheque mailed in accordance with this Condition arriving after the due date for payment or being lost in the mail.

(o) *Partial payments*: If a Paying Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.

(p) *Record date*: Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**"). Where payment in respect of a Registered Note is to be made by cheque, the cheque will be mailed to the address shown as the address of the Holder in the Register at the opening of business on the relevant Record Date.

The following Condition 10(q) (*Inconvertibility, Non-transferability or Illiquidity*) shall apply to all Renminbi Notes in addition to the provisions governing payments under Bearer Notes and Registered Notes above:

(q) *Inconvertibility, Non-transferability or Illiquidity:* Notwithstanding the foregoing, if by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuers are not able, or it would be impracticable for any of them, to satisfy payments of principal or interest (in whole or in part) in respect of Renminbi Notes when due in Renminbi in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of that currency, each Issuer on giving not less than five nor more than 30 days' irrevocable notice to the Fiscal Agent and Noteholders in accordance with Condition 18 (*Notices*) prior to the due date for payment, shall be entitled to satisfy their respective obligations in respect of such payment by making such payment in U.S. dollars on the due date at the U.S. Dollar Equivalent of any such Renminbi-denominated amount.

In such event, payment of the U.S. Dollar Equivalent of the relevant principal or interest amount in respect of the Renminbi Notes will be made by a U.S. dollar denominated cheque drawn on a bank in New York City and mailed to the Holder (or to the first named of joint holders) of the Renminbi Notes at its address appearing in the Register, or, upon application by the Holder of the Renminbi Notes to the specified office of the Registrar or any Transfer Agent before the Record Date, by transfer to a U.S. dollar denominated account maintained by the payee with, a bank in New York City.

For the purposes of this Condition 10(q):

"**Determination Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi, London and New York City;

"**Determination Date**" means the day which is two Determination Business Days before the due date for any payment of the relevant amount under these Conditions;

"**Governmental Authority**" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other

entity (private or public) charged with the regulation of the financial markets (including the central bank) of the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi;

"**Illiquidity**" means the general Renminbi exchange market in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the Renminbi Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers;

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the relevant Issuer to convert any amount due in respect of the Renminbi Notes in the general Renminbi exchange market in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation becomes effective on or after the Issue Date of the Renminbi Notes and it is impossible for the Issuer due to an event beyond its control, to comply with such law, rule or regulation);

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Issuer to transfer Renminbi between accounts inside the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi, from an account outside the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi to an account inside the Principal Financial Centre or such relevant Additional Financial Centre of Renminbi or from an account inside the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi to an account outside the Principal Financial Centre or such relevant Additional Financial Centre of Renminbi, other than where such impossibility is due solely to the failure of the relevant Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation becomes effective on or after the Issue Date of the Renminbi Notes and it is impossible for the Issuer due to an event beyond its control, to comply with such law, rule or regulation);

"**Renminbi Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi;

"**Spot Rate**" means the spot U.S. dollar/Renminbi exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi, as determined by the Renminbi Calculation Agent in good faith and in a commercially reasonable manner at or around 11.00 a.m. (time in the Principal Financial Centre of Renminbi) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Renminbi Calculation Agent in good faith and in a commercially reasonable manner will determine the Spot Rate at or around 11:00 a.m. (time in the Principal Financial Centre or such relevant Additional Financial Centre of Renminbi) on the Determination Date as the most recently available U.S. dollar/Renminbi official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate; and

"**U.S. Dollar Equivalent**" means the Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Determination Date promptly notified to the Issuer and the Paying Agents.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 10(q) by the Renminbi Calculation Agent, will (in the absence of wilful default, fraud or gross negligence) be binding on the Issuer, the Paying Agents and all Holders of the Renminbi Notes.

(r) *Payments in Renminbi*: Notwithstanding the foregoing, any payments in respect of the Notes to be made in Renminbi will be made in accordance with all applicable laws, rules, regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to the settlement of Renminbi in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi) by credit or transfer to an account denominated in that currency and maintained by the payee with a bank in the Principal Financial Centre or such relevant Additional Financial Centre of Renminbi.

11. **Taxation**

(a) *Gross up*: All payments of principal (if applicable) and interest in respect of the Notes and the Coupons (if any) by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, present or future, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Italy or Australia or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders and the Couponholders (if relevant) after such withholding or deduction shall be equal to the amounts of principal, in case of Senior Preferred Notes not qualifying at such time as liabilities that are eligible to meet the MREL Requirements only (if permitted by the Applicable Banking Regulations), and interest, in case of any Notes, and which would otherwise have been receivable by them if no such withholding or deduction had been required, except that no such additional amounts shall be payable in respect of any payment of any interest or principal either:

(i) for or on account of *Imposta Sostitutiva* (at the then applicable rate of tax) pursuant to Italian Legislative Decree No. 239 of 1 April 1996 (as amended), the "**Legislative Decree No. 239**" or, for the avoidance of doubt, Italian Legislative Decree No. 461 of 21 November 1997 (as amended or supplemented) or any related implementing regulations and in all circumstances in which the procedures set forth in Legislative Decree No. 239 in order to benefit from a tax exemption have not been met or complied with except where such procedures have not been met or complied with due to the actions or omissions of Intesa Sanpaolo or its agents; or

(ii) with respect to any Notes or Coupons presented for payment:

(A) in the Republic of Italy (in respect of Notes issued by Intesa Sanpaolo) or (in respect of Notes issued by the Sydney Branch) Australia; or

(B) by or on behalf of a holder who is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with the Republic of Italy (in respect of Notes issued by Intesa Sanpaolo) or (in respect of Notes issued by the Sydney Branch) Australia other than the mere holding of such Note or Coupon; or

(C) by or on behalf of a holder who is entitled to avoid such withholding or deduction in respect of such Note or Coupon by making, or procuring, a declaration of non-residence or other similar claim for exemption but has failed to do so; or

(D) more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to an additional amount on presenting such Note or Coupon for payment on such thirtieth day assuming that day to have been a Business Day; or

(E) in the event of payment to a non-Italian resident legal entity or a non-Italian resident individual, to the extent that interest or other amounts is paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information with the Republic of Italy; or

(F) in respect of Notes classified as atypical securities where such withholding or deduction is required under Law Decree No. 512 of 30 September 1983, as amended and supplemented from time to time;

(iii) with respect to any Notes or Coupons, in a case where the Issuer receives a notice or direction under section 260-5 of Schedule 1 to the Taxation Administration Act 1953 (Cth) of Australia, section 255 of the Income Tax Assessment Act 1936 (Cth) or any analogous provisions, any amounts paid or deducted from sums payable to the Noteholders by the Issuer in compliance with such notice or direction; or

(iv) with respect to any Notes or Coupons, in circumstances where such withholding or deduction would have been lawfully avoided if the holder or beneficial owner or any person acting on their behalf had provided to the Issuer an appropriate tax file number, Australian business number, or details of an exemption from providing those numbers; or

(v) to, or to a third party on behalf of, a holder who is an associate (as that term is defined in section 128F of the *Income Tax Assessment Act 1936* (Cth) of Australia) of the Issuer.

Notwithstanding any other provision in these Conditions, the Issuer shall be permitted to withhold or deduct any amounts required by the rules of Sections 1471 through 1474 of the Code, any regulation or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto ("**FATCA Withholding**") as a result of a holder, beneficial owner or an intermediary that is not an agent of the Issuer not being entitled to receive payments free of FATCA Withholding. The Issuer will have no obligation to pay additional amounts or otherwise indemnify an investor for any such FATCA Withholding deducted or withheld by the Issuer, the paying agent or any other party.

(b) *Taxing jurisdiction*: If payments made by each Issuer become subject to withholding tax as a result of each Issuer becoming resident, whether for tax purposes or otherwise, in any taxing jurisdiction other than the Republic of Italy or Australia, references in these Conditions to the Republic of Italy or Australia shall be construed as references to such other jurisdiction instead of the Republic of Italy or Australia.

12. **Events of Default**

(a) In the event of compulsory winding-up (*liquidazione coatta amministrativa*) of the relevant Issuer pursuant to Articles 80 and following of the Consolidated Banking Act or voluntary winding-up (*liquidazione volontaria*) in accordance with Article 96-*quinquies* of the Consolidated Banking Act, then any Note may, by written notice addressed by the holder thereof to the relevant Issuer and delivered to the relevant Issuer or to the Specified Office of the Fiscal Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its outstanding principal amount together with accrued interest (if any) without further action or formality.

(b) No remedy (including any remedy under the Italian Civil Code) against the relevant Issuer other than as specifically provided by this Condition 12 (*Events of Default*) shall be available to the Fiscal Agent or to the holders of the Notes and the related Coupons, whether for the recovery of amounts owing in respect of the Notes and the related Coupons or in respect of any breach by the relevant Issuer of any of its obligations under the Notes and the related Coupons or otherwise.

(c) For the avoidance of doubt, the non-payment by the relevant Issuer of any amount due and payable under these Notes, or the taking of any crisis prevention measure or crisis management measure in relation to the relevant Issuer in accordance with the BRRD, is not an event of default.

(d) No Event of Default for the Notes shall occur other than in the context of an insolvency or liquidation in respect of the relevant Issuer (and, for the avoidance of doubt, resolution proceeding(s) or *moratoria* imposed by a resolution authority in respect of the relevant Issuer shall not constitute an Event of Default for the Notes for any purpose).

13. **Prescription**

Claims against the Issuers for payment of principal and interest in respect of the Notes will be prescribed and become void unless made, in the case of principal, within ten years or, in the case of interest, five years after the Relevant Date.

14. **Replacement of Notes and Coupons**

If any Note or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Fiscal Agent or, in the case of Registered Notes the Registrar, (and, if the Notes are then listed on any stock exchange which requires the appointment of an Agent in any particular place, the Paying Agent having its Specified Office in the place required by such stock exchange), subject to all applicable laws and stock exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes or Coupons must be surrendered before replacements will be issued.

15. **Agents**

In acting under the Agency Agreement for the Italian Law Notes in Physical Form and in connection with the Notes and the Coupons, the Agents act solely as agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders or Couponholders.

The initial Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint a successor fiscal agent or Calculation Agent and additional or successor paying agents; *provided, however, that:*

(a) the Issuer shall at all times maintain a Fiscal Agent and a Registrar;

(b) if a Calculation Agent is specified in the relevant Final Terms, the Issuer shall at all times maintain a Calculation Agent;

(c) if and for so long as the Notes are listed or admitted to trading on any stock exchange or admitted to listing by any other relevant authority for which the rules require the appointment of an Agent in any particular place, the Issuer shall maintain an Agent having its Specified Office in the place required by the rules of such stock exchange; and

(d) the Issuer undertake that they shall maintain a Paying Agent outside of the Republic of Italy.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders in accordance with Condition 18 (*Notices*).

16. **Meetings of Noteholders; Modification and Waiver; Substitution**

(a) The Conditions may not be amended without the prior approval of the Relevant Authority (if applicable). The Agency Agreement for the Italian Law Notes in Physical Form contains provisions for convening meetings (including by way of conference call) of the Noteholders to consider any matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions, the terms of the Notes, and the Agency Agreement for the Italian Law Notes in Physical Form. The modification of certain terms, including, *inter alia*, the status of the Notes and the Coupons, the rate of interest payable in respect of the Notes, the principal amount thereof, the currency of payment thereof, the date for repayment of the Notes and any date for payment of, or the method of determining the rate of, interest thereon, may only be effected at a meeting of Noteholders to which special quorum provisions apply. Any resolution duly passed at a meeting of Noteholders shall be binding on all the Noteholders and all the Couponholders, whether present or not.

(b) The Notes, the Coupons and these Conditions may be amended without the consent of the Noteholders or the Couponholders to correct a manifest error. In addition, the parties to the Agency Agreement for

the Italian Law Notes in Physical Form may agree to modify any provision thereof, but the Issuers shall not agree, without the consent of the Noteholders, to any such modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of the Issuers, not materially prejudicial to the interests of the Noteholders.

(c) No consent of the Noteholders or Couponholders shall be required for an Approved Reorganisation, *provided that*: (A) if required by the Applicable Banking Regulations, the Issuers have obtained the prior permission of the Relevant Authority; and (B) the Issuers shall deliver to the Fiscal Agent, to make available at its specified office to the Noteholders, a certificate signed by two directors of each Issuer stating that:

(i) immediately prior to the assumption of its obligations, the Resulting Entity is solvent after taking account of all prospective and contingent liabilities resulting from its becoming the Resulting Entity; and

(ii) the proposed consolidation, merger or amalgamation will be an Approved Reorganisation.

Any Approved Reorganisation shall be notified to the Noteholders in accordance with Condition 18 (*Notices*).

(d) This Condition 16(d) applies to Subordinated Notes. If at any time a Tax Event, an Alignment Event or a Regulatory Event occurs and/or in order to ensure the effectiveness and enforceability of Condition 21 (*Acknowledgment of the Italian Bail-in Power*), then the Issuer may, subject to giving any notice required to, and receiving consent from, the Relevant Authority (without any requirement for the consent or approval of the holders of Subordinated Notes of that Series) and having given not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Fiscal Agent and the Holders of Subordinated Notes of that Series (which notice shall be irrevocable), at any time vary the terms of such Subordinated Notes so that they remain or, as appropriate, become, Qualifying Subordinated Securities (as defined below), *provided that* such variation does not itself give rise to any right of the Issuer to redeem the varied or substituted securities that would otherwise provide the Issuer with a right of redemption pursuant to the provisions of Subordinated Notes.

For the avoidance of doubt, no consent of the Noteholders shall be required for a variation of the Notes in accordance with this Condition 16(d) and the Fiscal Agent shall be obliged to effect such matters provided it would not, in the Fiscal Agent's sole opinion, have the effect of increasing the obligations or duties, or decreasing the rights or protection, of the Fiscal Agent in the Agency Agreement for the Italian Law Notes in Physical Form and/or these Conditions.

(e) This Condition 16(e) applies to Senior Preferred Notes and Senior Non-Preferred Notes. If at any time an MREL Disqualification Event or an Alignment Event occurs and/or in order to ensure the effectiveness and enforceability of Condition 21 (*Acknowledgment of the Italian Bail-in Power*), then the Issuers may, subject to giving any notice required to be given to, and receiving consent from, the Relevant Authority (without any requirement for the consent or approval of the holders of the Senior Preferred Notes or Senior Non-Preferred Notes of that Series) and having given not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Fiscal Agent and the Holders of the Senior Preferred Notes or Senior Non-Preferred Notes of that Series, which notice shall be irrevocable, at any time vary the terms of such Senior Preferred Notes or Senior Non-Preferred Notes so that they remain or, as appropriate, become Qualifying Senior Preferred Notes or Qualifying Senior Non-Preferred Notes (each as defined below), *provided that* such variation does not itself give rise to any right of the Issuers to redeem the varied or substituted securities.

For the avoidance of doubt, no consent of the Noteholders shall be required for a substitution or variation (as applicable) of the Notes in accordance with this Condition 16(e) and the Fiscal Agent shall be obliged to effect such matters provided it would not, in the Fiscal Agent's sole opinion, have the effect of increasing the obligations or duties, or decreasing the rights or protection, of the Fiscal Agent in the Agency Agreement for the Italian Law Notes in Physical Form and/or these Conditions.

17. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders or the Couponholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects other than the Issue Date, Issue Price and/or Interest Commencement Date and/or the first payment of interest) so as to form a single series with the Notes.

18. **Notices**

To Holders of Bearer Notes

Notices to the Holders of Bearer Notes shall be valid if published (i) in a leading English language daily newspaper published in London (which is expected to be the *Financial Times*), (ii) if and for so long as the Notes are listed or admitted to trading on the Luxembourg Stock Exchange and the rules of that exchange so require, a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (*https://www.luxse.com/*) or in each of the above cases, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Noteholders.

To Registered Holders

Notices to the Registered Holders will be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses on the Register. Any such notice shall be deemed to have been given on the fourth day after the date of mailing. In addition, so long as the Notes are listed or admitted to trading on a stock exchange and the rules of that stock exchange so require, notices to Registered Holders will be published on the date of such mailing in a daily newspaper of general circulation in the place or places required by that stock exchange (which, in the case of the Luxembourg Stock Exchange, such place will be Luxembourg and such newspaper is expected to be the *Luxemburger Wort*) or, in the case of the Luxembourg Stock Exchange, on the website of the Luxembourg Stock Exchange (*https://www.luxse.com/*).

To Holders of Notes held in a clearing system

While all the Notes are represented by a Global Note and the Global Note is deposited with a depositary or a common depositary for Euroclear Bank S.A./N.V. ("**Euroclear**") and/or Clearstream Banking, S.A. Luxembourg ("**Clearstream, Luxembourg**") and/or any other relevant clearing system or a common safekeeper for Euroclear and/or Clearstream, Luxembourg, as the case may be, notices to Noteholders may (to the extent permitted by the rules of the Luxembourg Stock Exchange or any other exchange on which the Notes are then listed or admitted to trading) be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system. Any such notices shall be deemed to have been given to the Noteholders on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

19. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

20. **Governing Law and Jurisdiction**

(a) *Governing law*: The Agency Agreement for the Italian Law Notes in Physical Form and the rights and obligations in respect of the Notes and the Coupons, and any non contractual obligations arising out of or in connection with each of the foregoing, are governed by, and shall be construed in accordance with, Italian law.

(b) *Jurisdiction*: Intesa Sanpaolo irrevocably agrees for the benefit of the Noteholders that the courts of Milan are to have jurisdiction to hear and determine any suit, action or proceedings and to hear and determine any suit, action or proceedings and to settle any disputes which may arise out of or in connection with the Agency Agreement for the Italian Law Notes in Physical Form and the Notes and the Coupons (including any non-contractual obligations arising out of or in connection with the foregoing) (respectively "**Proceedings**" and "**Disputes**") and for such purposes irrevocably submits to the non-exclusive jurisdiction of such courts.

(c) *Appropriate forum*: Intesa Sanpaolo irrevocably waives any objection which it might now or hereafter have to the courts of Milan being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and has agreed not to claim that any such court is not a convenient or appropriate forum.

(d) *Non-exclusivity*: The submission to the jurisdiction of the courts of Milan shall not (and shall not be construed so as to) limit the right of any Noteholder to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether currently or not) if and to the extent permitted by law.

(e) *Consent to enforcement etc*: Intesa Sanpaolo consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.

21. **Acknowledgement of the Italian Bail-in Power**

Notwithstanding any provision of these Conditions or any other agreements, arrangements, or understandings between the Issuers and any holder, and without prejudice to Article 55(1) of the BRRD, by its acquisition of the Notes each holder (which, for the purposes of this Condition 21, includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents to and agrees to be bound by:

(i) the effects of the exercise of the Italian Bail-in Power by the Relevant Authority, which exercise may include and result in any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; (ii) the conversion of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto, into ordinary shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of these Conditions; (iii) the cancellation of the Notes or the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; and (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

(ii) the variation of these Conditions, as deemed necessary by the Relevant Authority, to give effect to the exercise of the Italian Bail-in Power by the Relevant Authority.

The exercise of the Italian Bail-in Power by the Relevant Authority shall not constitute an event of default and these Conditions shall remain in full force and effect save as varied by the Relevant Authority in accordance with this Condition 21.

Upon the Issuer being informed or notified by the Relevant Authority of the actual date from which the exercise of the Italian Bail-in Power is effective with respect to the Notes, the Issuer shall notify the holders of the Notes without delay. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Italian Bail-in Power nor the effects on the Notes described in this Condition 21.

Each Noteholder also acknowledges and agrees that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of any Italian Bail-in Power to the Notes.

TERMS AND CONDITIONS OF THE DEMATERIALISED NOTES

*The following is the text of the terms and conditions which, as completed by the relevant Final Terms, will be applicable to each Series of Notes issued in dematerialised form under the Programme. References in the Conditions to "**Notes**" are to the Notes of one Series issued in dematerialised form only, not to all Notes that may be issued under the Programme. Further information related to Inflation-Linked Notes is contained in Annex 1 (Further information related to Inflation-Linked Notes) below.*

*Any reference in these Conditions to "**Noteholders**" or "**Holders**" in relation to any Notes shall mean the beneficial owners of the Notes and evidenced in book entry form with Monte Titoli S.p.A., with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy ("**Monte Titoli**") pursuant to the relevant provisions of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and in accordance with the CONSOB and Bank of Italy Joint Regulation dated 13 August 2018, as subsequently amended and supplemented from time to time (the "**CONSOB and Bank of Italy Joint Regulation**"). No physical document of title will be issued in respect of the Notes. Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream Banking**") are intermediaries authorised to operate through Monte Titoli.*

1. Introduction

(a) *Programme*: Intesa Sanpaolo S.p.A. acting through its Turin head office or its Sydney branch as Issuer ("**Intesa Sanpaolo**" or the "**Bank**" or the "**Issuer**"), Intesa Sanpaolo Bank Ireland p.l.c. ("**INSPIRE**") and Intesa Sanpaolo Bank Luxembourg S.A. ("**Intesa Luxembourg**") have established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to €70,000,000,000 in aggregate principal amount of notes guaranteed, in respect of Notes issued by INSPIRE and Intesa Luxembourg, by Intesa Sanpaolo pursuant to a deed of guarantee to be entered upon the issuance of such guaranteed notes. Under the Programme, Intesa Sanpaolo may issue notes in dematerialised form (the "**Dematerialised Notes**" or the "**Notes**"). The Issuer will also act as paying agent for the Notes (the "**Paying Agent**") save that the Issuer is entitled to appoint a different Paying Agent for the Dematerialised Notes in accordance with Condition 14 (*Paying Agents*). References in these Conditions to "Paying Agent" shall mean, for so long as the Issuer acts as paying agent for the Notes, the Issuer in its capacity as such, or such other party from time to time appointed by the Issuer to act as paying agent for the Notes.

(b) *Final Terms*: Dematerialised Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of final terms expressed to apply to the Dematerialised Notes (the "**Final Terms**") which complete these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms.

(c) *The Notes*: All subsequent references in these Conditions to Notes are to the Notes which are the subject of the relevant Final Terms. Payment of principal and interest in respect of the Dematerialised Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent to the accounts of the Monte Titoli Account Holders (as defined below) whose accounts with Monte Titoli are credited with those Dematerialised Notes and thereafter credited by such Monte Titoli Account Holders to the accounts of the beneficial owners of those Dematerialised Notes or through Euroclear and Clearstream Banking to the accounts with Euroclear and Clearstream Banking of the beneficial owners of those Dematerialised Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream Banking, as the case may be. No physical document of title will be issued in respect of Notes. In these Conditions, the expression "**Monte Titoli Account Holder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository banks appointed by Euroclear, as operator of the Euroclear System, and Clearstream Banking.

2. **Definitions and Interpretation**

(a) *Definitions*: In these Conditions the following expressions have the following meanings:

"**2006 ISDA Definitions**" means, in relation to a Series of Notes, the 2006 ISDA Definitions (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of such Series) as published by ISDA (copies of which may be obtained from ISDA at www.isda.org);

"**2021 ISDA Definitions**" means, in relation to a Series of Notes, the latest version of the 2021 ISDA Interest Rate Derivatives Definitions (including each Matrix (and any successor Matrix thereto), as defined in such 2021 ISDA Interest Rate Derivatives Definitions) as at the date of issue of the first Tranche of Notes of such Series, as published by ISDA on its website (www.isda.org);

"**Accrual Yield**" has the meaning given in the relevant Final Terms;

"**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Additional Tier 1 Capital**" has the meaning given to such term (or any other equivalent or successor term) in the Applicable Banking Regulations;

"**Adjustment Spread**" means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the relevant Successor Rate or the relevant Alternative Benchmark Rate (as the case may be) and is the spread, formula or methodology which is notified by the Issuers to the Paying Agent and Calculation Agent as being:

(i) in the case of a Successor Rate, is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or

(ii) (if no such recommendation has been made, or in the case of an Alternative Benchmark Rate), the Independent Adviser, determines and notifies the Paying Agent and the Calculation Agent is customarily applied to the relevant Successor Rate or Alternative Benchmark Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Reference Rate; or

(iii) (if no such recommendation has been made) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Benchmark Rate (as the case may be); or

(iv) (if the Independent Adviser determines that no such industry standard is recognised or acknowledged) the Independent Adviser determines (acting in good faith and in a commercially reasonable manner) to be appropriate to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Monte Titoli as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Benchmark Rate (as the case may be);

an "**Alignment Event**" will be deemed to have occurred if, as a result of a change in or amendment to the Applicable Banking Regulations or interpretation thereof, at any time after the Issue Date of a relevant Series of Notes, the Issuer would be able to issue (i) in the case such Notes are Senior Preferred Notes or Senior Non-Preferred Notes, an instrument qualifying as Eligible Liabilities Instruments or (ii) in the case such Notes are Subordinated Notes, an instrument qualifying as Tier 2 Capital which, in each case, contains one or more provisions that are, in the reasonable opinion of the Issuer, different in any material respect from those contained in these Conditions;

"**Applicable Banking Regulations**" means at any time the laws, regulations, requirements, guidelines and policies relating to capital adequacy then applicable to the Issuer or the Group (including any applicable transitional provisions) including, without limitation, the BRRD, the BRRD Implementing Decrees, the CRD IV Package, the Capital Instruments Regulations, Circular No. 285, the Banking Reform Package, the SRM Regulation and any other regulations, requirements, guidelines and policies relating to capital adequacy then in effect of the Relevant Authority (whether or not such requirements, guidelines or policies have the force of law and whether or not they are applied generally or specifically to the Issuer) or of the institutions of the European Union and standards and guidelines issued by the European Banking Authority;

"**Approved Reorganisation**" means a solvent and voluntary reorganisation involving, alone or with others, the Issuer, and whether by way of consolidation, amalgamation, merger, transfer of all or substantially all of its business or assets, or otherwise *provided that* the principal resulting, surviving or transferee entity (a "**Resulting Entity**") is a banking company and effectively assumes all the obligations of the Issuer under, or in respect of, the Notes;

"**Banking Reform Package**" means: (i) Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 575/2013 as regards the leverage ratio, the net stable funding ration, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposure to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and Regulation (EU) No. 648/2012; (ii) Regulation (EU) 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 806/2014 as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms; (iii) Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures; and (iv) Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms and Directive 98/26/EC;

"**Benchmark Event**" means:

(i) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(ii) a public statement by the administrator of the relevant Reference Rate that it has ceased, or will cease, publishing such Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Reference Rate); or

(iii) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will be permanently or indefinitely discontinued; or

(iv) a public statement by the supervisor of the administrator of the Reference Rate (as applicable) that means that such Reference Rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(v) a public statement by the supervisor of the administrator of the relevant Reference Rate that, in the view of such supervisor, such Reference Rate is no longer representative of an underlying market; or

(vi) it has or will become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the BMR, if applicable);

Unless otherwise specified in the relevant Final Terms, the change of the Reference Rate methodology does not constitute a Benchmark Event. In the event of a change in the formula and/or (mathematical

or other) methodology used to measure the Relevant Benchmark, reference shall be made to the Reference Rate based on the formula and/or methodology as changed.

"**BMR**" means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014 as amended or replaced from time to time;

"**BRRD**" means Directive 2014/59/EU of the European Parliament and of the Council of May 15 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms, as amended or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

"**BRRD Implementing Decrees**" means the Legislative Decrees No. 180 and 181 of November 16, 2015, implementing the BRRD in the Republic of Italy, as amended or replaced from time to time (including, without limitation, as a consequence of the transposition of the Banking Reform Package into Italian law);

"**Business Day**" means:

(i) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre;

(ii) in relation to any sum payable in a currency other than euro or Renminbi, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre; and

(iii) in relation to any sum payable in Renminbi, a day (other than Saturday, Sunday or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong/the Principal Financial Centre of Renminbi and in each (if any) Additional Business Centre;

"**Business Day Convention**", in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

(i) "**Following Business Day Convention**" means that the relevant date shall be postponed to the first following day that is a Business Day;

(ii) "**Modified Following Business Day Convention**" or "**Modified Business Day Convention**" the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;

(iii) "**Preceding Business Day Convention**" means that the relevant date shall be brought forward to the first preceding day that is a Business Day;

(iv) "**FRN Convention**", "**Floating Rate Convention**" or "**Eurodollar Convention**" means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred *provided, however, that:*

(A) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;

(B) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day;

(C) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and

(v) "**No Adjustment**" means that the relevant date shall not be adjusted in accordance with the Business Day Convention.

"**Calculation Agent**" means the person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

"**Calculation Amount**" has the meaning given in the relevant Final Terms;

"**Capital Instruments Regulations**" means the Delegated Regulation and any other rules or regulations of the Relevant Authority or which are otherwise applicable to the Issuer or the Group (as the case may be and, where applicable), whether introduced before or after the Issue Date of the relevant Series of Notes, which prescribe (alone or in conjunction with any other rules or regulations) the requirements to be fulfilled by financial instruments for their inclusion in the Own Funds to the extent required under the CRD IV Package;

"**CET1 Instruments**" means at any time common equity tier 1 instruments as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Circular No. 285**" means the Bank of Italy Circular No. 285 of 17 December 2013, as amended or replaced from time to time (including, without limitation, as a consequence of the transposition of the Banking Reform Package into Italian law);

"**CNY**" or "**Renminbi**" means the lawful currency of the PRC;

"**CRD IV**" means Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

"**CRD IV Package**" means the CRR and the CRD IV;

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 setting out prudential requirements for credit institutions and investment firms, as amended or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time (the "**Calculation Period**"), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

(i) if "**Actual/Actual (ICMA)**" is so specified, means:

(a) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods normally ending in any year; and

(b) where the Calculation Period is longer than one Regular Period, the sum of:

(1) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and

(2) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (a) the actual number of days in such Regular Period and (b) the number of Regular Periods normally ending in any year;

(ii) if "**Actual/365**" or "**Actual/Actual (ISDA)**" is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(iii) if "**Actual/365 (Fixed)**" is so specified, means the actual number of days in the Calculation Period divided by 365;

(iv) if "**Actual/360**" is so specified, means the actual number of days in the Calculation Period divided by 360;

(v) if "**30/360**" (in respect of Condition 5 (*Fixed Rate Note Provisions*)) is so specified, means the number of days in the Calculation Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (i) the last day of the Calculation Period is the 31st day of a month but the first day of the Calculation Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month, or (ii) the last day of the Calculation Period is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month));

(vi) if "**Actual/365 (Sterling)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;

(vii) If "**30/360**" (in respect of Condition 6 (*Floating Rate Note and Benchmark Replacement*)) or "**360/360**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{(Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where

"$\mathbf{Y_1}$" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{Y_2}$" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{M_1}$" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"$\mathbf{M_2}$" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"$\mathbf{D_1}$" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D_1 is greater than 29, in which case D_2 will be 30; and

(viii) If "**30E/360**" or "**Eurobond Basis**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D_2 will be 30; and

(ix) If "**30E/360 (ISDA)**" is specified, the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y_1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y_2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M_1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M_2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D_1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D_1 will be 30; and

"**D_2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D_2 will be 30,

provided, however, that in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period

None of the Paying Agent, Paying Agents or the Calculation Agents shall be responsible or liable for any action or inaction of the Independent Adviser or in respect of the determination of any Successor Rate or Alternative Rate, or any Adjustment Spread or Benchmark Amendments;

"**Delegated Regulation**" means the Commission Delegated Regulation (EU) No. 241/2014 of 7 January 2014, supplementing the CRR with regard to regulatory technical standards for Own Funds requirements for institutions, as amended and replaced from time to time;

"**Early Redemption Amount**" has the meaning given to it in the applicable Final Terms;

"**Early Redemption Amount (Tax)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**euro**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Communities as amended from time to time;

"**Extraordinary Resolution**" has the meaning given to it in the Provisions for Meetings of Noteholders;

"**Final Redemption Amount**" means, in respect of any Note (other than Inflation-Linked Notes), its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms *provided that*, in any case, such amount will be at least equal to the relevant par value. In respect of Inflation-Linked Notes, the "Final Redemption Amount" means an amount different from the relevant par value as may be specified in the relevant Final Terms, *provided that* under no circumstances shall the Final Redemption Amount be less than the Nominal Amount of the Notes;

"**Fixed Coupon Amount**" has the meaning given in the relevant Final Terms;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the People's Republic of China;

"**Indebtedness for Borrowed Money**" means any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of (i) money borrowed, (ii) liabilities under or in respect of any acceptance or acceptance credit or (iii) any bonds, notes, debentures, loan capital, certificates of deposit, loan stock or other like instruments or securities offered, issued or distributed whether by way of public offer, private placement, acquisition consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash;

"**Independent Adviser**" means an independent financial institution of international repute or other independent financial adviser of recognised standing with relevant experience in the international capital markets, in each case appointed by the Issuers at their own expense *which, for the avoidance of doubt, this will not be the* Paying Agent;

"**Interest Amount**" means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

"**Interest Commencement Date**" means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

"**Interest Determination Date**" has the meaning given in the relevant Final Terms;

"**Interest Payment Date**" means the date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

(i) as the same may be adjusted in accordance with the relevant Business Day Convention; or

(ii) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the first Interest Payment Date) or the previous Interest Payment Date (in any other case);

"**Interest Period**" means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

"**ISDA Definitions**" has the meaning given in the relevant Final Terms;

"**Issue Date**" has the meaning given in the relevant Final Terms;

"**Italian Bail-in Power**" means any write-down, conversion, transfer, modification, or suspension power whether relating to the resolution or independent of any resolution action, of credit institutions, investment firms and/or Group entities, existing from time to time under, and exercised in compliance with, any laws, regulations, rules or requirements in effect in the Republic of Italy, including those relating to (i) the transposition of the BRRD (including, but not limited to, Legislative Decrees No. 180/2015 and 181/2015) as amended from time to time; and (ii) the instruments, rules and standards created thereunder, pursuant to which any obligation of a regulated entity (or other affiliate of such regulated entity) can be reduced, cancelled, modified, or converted into shares, other securities, or other obligations of such regulated entity or any other person (or suspended for a temporary period);

"**Loss Absorption Requirement**" means the power of the Relevant Authority to impose that Own Funds instruments or other liabilities of the Issuer or entities of the Group (as the case may be) are subject to full or partial write-down of the principal or conversion into CET1 Instruments or other instruments of ownership;

"**Margin**" has the meaning given in the relevant Final Terms;

"**Maturity Date**" has the meaning given in the relevant Final Terms;

"**Maximum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**Minimum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**Monte Titoli Account Holder**" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli and includes any depository banks appointed by Euroclear, as operator of the Euroclear System, and Clearstream Banking;

"**MREL Disqualification Event**" means that, at any time, all or part of the aggregate outstanding nominal amount of such Series of Senior Preferred Notes or Senior Non-Preferred Notes is or will be excluded fully or partially from the eligible liabilities available to meet the MREL Requirements *provided that*: (a) the exclusion of a Series of Senior Preferred Notes or Senior Non-Preferred Notes from the MREL Requirements due to the remaining maturity of such Senior Preferred Notes or Senior Non-Preferred Notes being less than any period prescribed thereunder, does not constitute an MREL Disqualification Event; (b) the exclusion of all or some of a Series of Senior Preferred Notes from the MREL Requirements due to there being insufficient headroom for such Senior Preferred Notes within a prescribed exception to the otherwise applicable general requirements for eligible liabilities (to the extent applicable to Intesa Sanpaolo and/or the Group) does not constitute an MREL Disqualification Event; and (c) the exclusion of all or some of a Series of Senior Preferred Notes or Senior Non-Preferred Notes from the MREL Requirements as a result of such Notes being purchased by or on behalf of Intesa Sanpaolo or as a result of a purchase which is funded directly or indirectly by Intesa Sanpaolo, does not constitute an MREL Disqualification Event;

"**MREL Requirements**" means the laws, regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for Own Funds and eligible liabilities and/or loss-absorbing capacity instruments applicable to Intesa Sanpaolo and/or the Group, from time to time, (including any

applicable transitional provisions) including, without limitation to the generality of the foregoing, any delegated or implementing acts (such as regulatory technical standards) adopted by the European Commission and any regulations, requirements, guidelines, rules, standards and policies relating to minimum requirements for Own Funds and eligible liabilities and/or loss absorbing capacity instruments adopted by the Republic of Italy, a Relevant Authority or the European Banking Authority from time to time (whether or not such requirements, guidelines or policies are applied generally or specifically to Intesa Sanpaolo and/or the Group), as any of the preceding laws, regulations, requirements, guidelines, rules, standards, policies or interpretations may be amended, supplemented, superseded or replaced from time to time;

"**Multiplier**" has the meaning given in the relevant Final Terms;

"**Optional Redemption Amount (Call)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Amount (Put)**" means, in respect of any Note, its principal amount or such other amount as may be specified in, or determined in accordance with, the relevant Final Terms;

"**Optional Redemption Date (Call)**" has the meaning given in the relevant Final Terms;

"**Optional Redemption Date (Put)**" has the meaning given in the relevant Final Terms;

"**Own Funds**" shall have the meaning assigned to such term in the CRR as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Payment Business Day**" means:

(i) if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or

(ii) if the currency of payment is not euro or Renminbi, any day which is, in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre; or

(iii) if the currency of payment is Renminbi, a day (other than Saturday, Sunday, or public holiday) on which commercial banks in Hong Kong are generally open for business and settlement of Renminbi payments in Hong Kong/the Principal Financial Centre of Renminbi and in each (if any) Additional Financial Centre.

"**PRC**" means the People's Republic of China which, for the purpose of these Terms and Conditions, shall exclude Hong Kong, the Macau Special Administrative Region of the People's Republic of China and Taiwan;

"**Principal Financial Centre**" means, in relation to any currency, the principal financial centre for that currency *provided, however, that*:

(i) in relation to euro, it means the principal financial centre of such Member State of the European Union or the United Kingdom as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Calculation Agent;

(ii) in relation to Australian dollars, it means Melbourne and, in relation to New Zealand dollars, it means Wellington; and

(iii) in relation to Renminbi, it means Hong Kong;

"**Provisions for Meetings of Noteholders**" means the provisions for meetings of noteholders attached to these Conditions as Schedule 1.

"**Put Option Notice**" means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Put Option Receipt**" means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder;

"**Qualifying Senior Preferred Notes**" means securities issued directly or indirectly by the Issuer that:

(i) (A) contain terms which at such time result in such securities being eligible to count towards fulfilment of the Issuer's and/or the Group's (as applicable) minimum requirements for Own Funds and eligible liabilities under the then applicable MREL Requirements; (B) include a ranking at least equal to that of the Senior Preferred Notes; (C) have the same Rate of Interest and the same Interest Payment Dates as those from time to time applying to the Senior Preferred Notes; (D) have the same redemption rights as the Senior Preferred Notes; (E) preserve any existing rights under the Senior Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation; (F) are assigned (or maintain) the same or higher solicited credit ratings as were assigned to the Senior Preferred Notes immediately prior to such variation or substitution, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 20 (*Acknowledgment of the Italian Bail-in Power*); and (G) other than in respect of the effectiveness and enforceability of Condition 20 (*Acknowledgment of the Italian Bail-in Power*, have terms not materially less favourable to a holder of the Senior Preferred Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing which is independent of the Group, than the terms of the Senior Preferred Notes; and

(ii) are listed on a recognized stock exchange if the Senior Preferred Notes were listed immediately prior to such variation or substitution;

"**Qualifying Senior Non-Preferred Notes**" means securities issued directly or indirectly by the Issuer that:

(i) (A) contain terms which at such time result in such securities being eligible to count towards fulfilment of the Issuer's and/or the Group's (as applicable) minimum requirements for Own Funds and eligible liabilities under the then applicable MREL Requirements; (B) include a ranking at least equal to that of the Senior Non-Preferred Notes; (C) have the same Rate of Interest and the same Interest Payment Dates as those from time to time applying to the Senior Non-Preferred Notes; (D) have the same redemption rights as the Senior Non-Preferred Notes; (E) preserve any existing rights under the Senior Non-Preferred Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation; (F) are assigned (or maintain) the same or higher solicited credit ratings as were assigned to the Senior Non-Preferred Notes immediately prior to such variation or substitution, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 20 (*Acknowledgment of the Italian Bail-in Power*); and (G) other than in respect of the effectiveness and enforceability of Condition 20 (*Acknowledgment of the Italian Bail-in Power*), have terms not materially less favourable to a holder of the Senior Non-Preferred Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing which is independent of the Group, than the terms of the Senior Non-Preferred Notes; and

(ii) are listed on a recognized stock exchange if the Senior Non-Preferred Notes were listed immediately prior to such variation or substitution;

"**Qualifying Subordinated Securities**" means securities, whether debt, equity, interests in limited partnerships or otherwise, issued directly or indirectly by the Issuer that:

(i) (A) contain terms such that they comply with the then-current minimum requirements under the Applicable Banking Regulations for inclusion in the Tier 2 Capital of the Issuer or the Group (as applicable); (B) include a ranking at least equal to that of the Subordinated Notes; (C) have the same Rate of Interest and the same Interest Payment Dates as those from time to time applying to the Subordinated Notes; (D) have the same redemption rights as the Subordinated Notes; (E) preserve any existing rights under the Subordinated Notes to any accrued interest which has not been paid in respect of the period from (and including) the Interest Payment Date last preceding the date of substitution or variation; (F) are assigned (or maintain) the same or higher solicited credit ratings as were assigned to the Subordinated Notes immediately prior to such variation or substitution, unless any downgrade is solely attributable to the effectiveness and enforceability of Condition 20 (*Acknowledgment of the Italian Bail-in Power*); and (G) other than in respect of the effectiveness and enforceability of Condition 20 (*Acknowledgment of the Italian Bail-in Power*), have terms not materially less favourable to a holder of the Subordinated Notes, certified by the Issuer acting reasonably following consultation with an investment bank or financial adviser of international standing which is independent of the Group, than the terms of the Subordinated Notes; and

(ii) are listed on a recognised stock exchange if the Subordinated Notes were listed immediately prior to such variation or substitution;

"**Rate of Interest**" means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

"**Redemption Amount**" means, as appropriate, the Final Redemption Amount, the Early Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Put) or such other amount in the nature of a redemption amount as may be specified in, or determined in accordance with the provisions of, the relevant Final Terms;

"**Reference Price**" has the meaning given in the relevant Final Terms;

"**Reference Rate**" has the meaning given in the relevant Final Terms;

"**Reference Rate Multiplier**" has the meaning given in the relevant Final Terms;

"**Regular Period**" means:

(i) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;

(ii) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls; and

(iii) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where "**Regular Date**" means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

"**Regulatory Event**" means a change (or pending change which the Relevant Authority considers to be sufficiently certain) in the regulatory classification of the Subordinated Notes from the classification

as of the Issue Date that results, or would be likely to result, in their exclusion in whole or, to the extent permitted by the Applicable Banking Regulations, in part from Tier 2 Capital of the Issuer or the Group, where applicable in accordance with the Applicable Banking Regulations, a reclassification as a lower quality form of Own Funds (save where the exclusion from Tier 2 Capital of the Issuer is solely (A) a result of any applicable limitation on the amount of such capital, or (B) in accordance with any requirement that recognition of such Series of Subordinated Notes as part of the Tier 2 Capital of the Issuer be amortised in the five years prior to maturity of such Notes, in either (A) or (B) in accordance with Applicable Banking Regulations in force as at the date on which agreement is reached to issue the first Tranche of such Series of Subordinated Notes) and, in case the Regulatory Event has occurred before five years from the issue of the relevant Subordinated Notes, both of the following conditions are met: (i) the Competent Authority considers such a change to be sufficiently certain and (ii) the Issuer demonstrates to the satisfaction of the Competent Authority that the change in regulatory classification of the Notes was not reasonably foreseeable as at the Issue Date;

"**Relevant Authority**" means the European Central Bank, the Bank of Italy, or any successor authority having responsibility for the prudential supervision of the Issuer or the Group within the framework of the Single Supervisory Mechanism set out under Council Regulation (EU) No. 1024/2013 ("**SSM**") and in accordance with the Applicable Banking Regulations and/or, as the context may require, the Italian resolution authority, the Single Resolution Board established pursuant to the SRM Regulation, and/or any other authority in Italy or in the European Union entitled to exercise or participate in the exercise of the Italian Bail-in Power or having primary responsibility for the prudential oversight and supervision of Intesa Sanpaolo from time to time;

"**Relevant Date**" means, in relation to any payment, whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received in the Principal Financial Centre of the currency of payment by the Paying Agent on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders;

"**Relevant Financial Centre**" has the meaning given in the relevant Final Terms;

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable): (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof;

"**Relevant Screen Page**" means the page, section or other part of a particular information service (including, without limitation, the Reuter Monitor Money Rates Service and the Moneyline Telerate Service) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

"**Relevant Time**" has the meaning given in the relevant Final Terms;

"**Renminbi Calculation Agent**" means the person specified in the relevant Final Terms as the party responsible for calculating the Spot Rate (as defined in Condition 10(d) (*Inconvertibility, Non transferability or Illiquidity*)) and/or such other amount(s) as may be specified in the relevant Final Terms;

"**Reserved Matter**" shall have the meaning given to it in the Provisions for Meetings of Noteholders and includes, inter alia, any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date

for any such payment, to change the currency of any payment under the Notes or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution;

"**Reset Date**" has the meaning given in the relevant Final Terms;

"**Specified Currency**" has the meaning given in the relevant Final Terms;

"**Specified Denomination(s)**" has the meaning given in the relevant Final Terms;

"**Specified Office**" means Piazza San Carlo 156, 10121, Turin, Italy or such other address of the relevant Paying Agent notified by the Issuer to the Noteholders in accordance with Condition 17 (*Notices*);

"**Specified Period**" has the meaning given in the relevant Final Terms;

"**SRM Regulation**" means Regulation (EU) No. 806/2014 of the European Parliament and of the Council of 15 July 2014, establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of the Single Supervisory Mechanism and the Single Resolution Fund and amending Regulation (EU) No. 1093/2010, as amended or replaced from time to time (including, without limitation, as a consequence of the entry into force of the Banking Reform Package);

"**SRM II Regulation**" means Regulation (EU) No. 2019/877 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No. 806/2014 as regards the loss absorbing and recapitalisation capacity of credit institutions and investment firms.

"**Successor Rate**" means the reference rate (and related alternative screen page or source, if available) that the Independent Adviser (with the Issuer's agreement) determines is a successor to or replacement of the relevant Reference Rate which is formally recommended by any Relevant Nominating Body;

"**Switch Option**" means, if Change of Interest Basis and Issuer's Switch Option are specified as applicable in the applicable Final Terms, the option of the Issuer, at its sole absolute discretion, on one or more occasions and subject to the provisions of Condition 6(l) (*Change of Interest Basis*), to change the Interest Basis of the Notes from Fixed Rate to Floating Rate, to Floating Rate to Fixed Rate or as otherwise specified in the applicable Final Terms, with effect from (and including) the Switch Option Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date;

"**T2**" means the real time gross settlement system operated by the Eurosystem or any successor system;

"**TARGET Settlement Day**" means any day on which T2 is open;

"**Tier 2 Capital**" has the meaning given to it from time to time in the Applicable Banking Regulations;

"**Tier 2 Instruments**" means at any time tier 2 instruments as interpreted and applied in accordance with the Applicable Banking Regulations;

"**Treaty**" means the Treaty establishing the European Union, as amended;

"**Yield**" means the yield specified in the Final Terms, as calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield; and

"**Zero Coupon Note**" means a Note specified as such in the relevant Final Terms.

(b) *Interpretation*: In these Conditions:

(i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;

(ii) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 11

(*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;

(iii) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 11 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;

(iv) references to Notes being "**outstanding**" shall be construed in accordance with the Provisions for Meetings of Noteholders;

(v) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "**not applicable**" then such expression is not applicable to the Notes; and

(vi) any reference in these Conditions to any legislation (whether primary legislation or regulations or other subsidiary legislation is made pursuant to primary legislation) shall be construed as a reference to such legislation as the same may have been, or may from time to time be, amended or re-enacted.

3. **Form, Denomination and Title**

(a) The Notes will be in held in dematerialised form in the Specified Denomination(s) on behalf of the beneficial owners by Monte Titoli for the account of the relevant Monte Titoli Account Holders as of their respective date of issue. Monte Titoli shall act as depository for Euroclear and Clearstream Banking.

(b) The Notes will at all times be evidenced by, and title to the Notes will be established or transferred by way of, book-entries pursuant to the relevant provisions of the Financial Services Act and in accordance with the CONSOB and Bank of Italy Joint Regulation. No physical document of title will be issued in respect of the Notes.

(c) The minimum denomination per Note will be €100,000, save that (i) the minimum denomination of each Senior Non-Preferred Note will be €150,000 (or, if the Senior Non-Preferred Notes are denominated in a Specified Currency other than Euro, the equivalent amount in such Specified Currency); and (ii) the minimum denomination of each Subordinated Note will be €200,000 (or, if the Subordinated Notes are denominated in a in a Specified Currency other than Euro, the equivalent amount in such other Specified Currency).

(d) References to the records of Euroclear and/or Clearstream, Luxembourg shall be to the records for which Monte Titoli acts as depository. References to Euroclear and/or Clearstream shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms.

4. **Status of the Notes**

(a) **Status – Senior Preferred Notes**

*This Condition 4(a) is applicable in relation to Senior Preferred Notes and specified in the Final Terms as being Senior Preferred Notes (and, for the avoidance of doubt, does not apply to Non-Preferred Senior Preferred Notes) ("**Senior Preferred Notes**").*

The Senior Preferred Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank *pari passu* and rateably without any preference among themselves and (subject to any obligations preferred by any applicable law) equally with all other unsecured and unsubordinated indebtedness and monetary obligations of the Issuer, present and future (other than obligations ranking, in accordance with their terms and/or by provision of law, junior to the Senior Preferred Notes from time to time (including Senior Non-Preferred Notes and any further obligations permitted by law to rank junior to the Senior Preferred Notes following the Issue Date)) if any.

Each holder of a Senior Preferred Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Senior Preferred Note.

(b) **Status - Senior Non-Preferred Notes issued by Intesa Sanpaolo**

*This Condition 4(b) is applicable only to Senior Non-Preferred Notes issued by Intesa Sanpaolo specified in the applicable Final Terms as Non-Preferred Senior obligations and intended to qualify as "strumenti di debito chirografario di secondo livello" of Intesa Sanpaolo, as defined under Article 12 bis of the Consolidated Banking Act, as amended from time to time ("**Senior Non-Preferred Notes**").*

The obligations of Intesa Sanpaolo under the Senior Non-Preferred Notes (notes intending to qualify as *strumenti di debito chirografario di secondo livello* of Intesa Sanpaolo, as defined under, and for the purposes of, Article 12-*bis* and Article 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Act and any relevant implementing regulation which may be enacted for such purposes by any Relevant Authority) in respect of principal, interest and other amounts constitute direct, unconditional, unsubordinated, unsecured and non-preferred obligations of Intesa Sanpaolo, ranking:

(i) junior to Senior Preferred Notes and any other unsecured and unsubordinated obligations of Intesa Sanpaolo which rank, or are expressed to rank by their terms and/or by provision of law, senior to the Senior Non-Preferred Notes, including claims arising from the excluded liabilities within the meaning of Article 72a(2) of the CRR;

(ii) *pari passu* without any preferences among themselves, and with all other present or future obligations of Intesa Sanpaolo which do not rank or are not expressed by their terms to rank junior or senior to the relevant Senior Non-Preferred Notes; and

(iii) in priority to any subordinated instruments and to the claims of shareholders of Intesa Sanpaolo,

pursuant to Article 91, section 1-*bis*, letter c-*bis* of the Consolidated Banking Act, as amended from time to time, and any relevant implementing regulation which may be enacted for such purposes by any Relevant Authority.

Each holder of a Senior Non-Preferred Note unconditionally and irrevocably waives any right of set-off, netting, counterclaim, abatement or other similar remedy which it might otherwise have under the laws of any jurisdiction in respect of such Senior Non-Preferred Note.

(c) **Status – Subordinated Notes issued by Intesa Sanpaolo**

*This Condition 4(c) is applicable only in relation to Subordinated Notes issued by Intesa Sanpaolo and specified in the Final Terms as being subordinated and intended to qualify as Tier 2 Capital ("**Subordinated Notes**").*

(i) ***Status of Subordinated Notes***

The Subordinated Notes (notes intended to qualify as Tier 2 Capital for regulatory capital purposes, in accordance with Part II, Chapter 1 of the Bank of Italy's *Disposizioni di Vigilanza per le Banche*, as set out in Circular No. 285, including any successor regulations, and Article 63 of the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms) constitute direct, unconditional, unsecured and subordinated obligations of Intesa Sanpaolo and rank *pari passu* without any preference among themselves. Save as provided in Condition 4(c)(ii) (*Status of disqualified Subordinated Notes*), in the event of compulsory winding-up (*liquidazione coatta amministrativa*) pursuant to Articles 80 and following of Legislative Decree of 1 September 1993, No. 385 of the Republic of Italy as amended (the "**Consolidated Banking Act**") or voluntary winding-up (*liquidazione volontaria*) in accordance with Article 96-*quinquies* of the Consolidated Banking Act, for so long as the relevant Series of Subordinated Notes qualify, in whole or in part, as Tier 2 Capital, the payment obligations of

Intesa Sanpaolo in respect of principal and interest under the Subordinated Notes will (A) be subordinated to the claims of the Intesa Sanpaolo Senior Creditors (as defined below); (B) rank *pari passu* with Parity Creditors and (C) rank in priority to the claims of shareholders of the Issuer and to the claims of creditors of the Issuer holding instruments that are more subordinated than the Subordinated Notes (including the holders of notes which qualify as Additional Tier 1 Capital, if any).

"**Intesa Sanpaolo Senior Creditors**" means creditors of Intesa Sanpaolo whose claims are admitted to proof in the winding up of Intesa Sanpaolo and who are either (a) unsubordinated creditors of Intesa Sanpaolo (including depositors and any holder of Senior Notes, Senior Non-Preferred Notes) or (b) creditors of Intesa Sanpaolo whose claims against Intesa Sanpaolo are, or are expressed to be, subordinated in the event of the winding up of Intesa Sanpaolo but senior to the Subordinated Notes (including any subordinated instruments that have ceased to qualify, in their entirety, as own fund items (*elementi di fondi propri*)).

"**Parity Creditors**" means creditors of Intesa Sanpaolo (including, without limitation, the Subordinated Noteholders) whose claims against Intesa Sanpaolo are, or are expressed to be, subordinated in the event of the winding up of Intesa Sanpaolo in any manner to the claims of any unsecured and unsubordinated creditor of Intesa Sanpaolo, but excluding those subordinated creditors of Intesa Sanpaolo (if any) whose claims rank, or are expressed to rank, junior or senior to the claims of the Subordinated Noteholders and/or to the claims of any other creditors of Intesa Sanpaolo whose claims rank, or are expressed to rank, *pari passu* with the claims of the Subordinated Noteholders or with whose claims the claims of the Subordinated Noteholders or are expressed to rank, *pari passu*, including holders of present or future subordinated instruments which qualify, in whole or in part, as Tier 2 Capital of the Issuer.

(ii) ***Status of disqualified Subordinated Notes***

If the relevant Series of Subordinated Notes do not qualify (or cease to qualify) in their entirety as own funds items (*elementi di fondi propri*), such Subordinated Notes will rank *pari passu* without any preference among themselves and: (A) at least *pari passu* with the Issuer's obligations in respect of any other subordinated instruments that have ceased to qualify, in their entirety, as own funds items (*elementi di fondi propri*) and with all other subordinated indebtedness of the Issuer that have such ranking; (B) in priority to payments to holders of present or future outstanding indebtedness which qualifies, in whole or in part, as own funds items (*elementi di fondi propri*), including Additional Tier 1 Capital and Tier 2 Capital; and (C) junior in right of payment to the payment of any present or future claims of depositors of the Issuer and any other unsubordinated creditors of the Issuer (including Senior Notes and Senior Non-Preferred Notes).

(iii) ***Loss Absorption***

The Subordinated Notes (including, for the avoidance of doubt, payments of principal and/or interest) shall be subject to the Loss Absorption Requirement, if so required under the BRRD and/or the SRM Regulation, in accordance with the powers of the Relevant Authority and where the Relevant Authority determines that the application of the Loss Absorption Requirement to the Subordinated Notes is necessary pursuant to applicable law and/or regulation in force from time to time.

(iv) ***Set-Off***

Neither any Subordinated Noteholder may exercise or claim any right of set-off in respect of any amount owed to it by Intesa Sanpaolo arising under or in connection with the Subordinated Notes and each Subordinated Noteholder shall, by virtue of his subscription, purchase or holding of any Subordinated Note, be deemed to have waived all such rights of set-off.

(d) **No Negative Pledge**

There is no negative pledge in respect of the Notes.

5. Fixed Rate Note Provisions

(a) *Application*: This Condition 5 is applicable to the Notes (a) if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable; and (b) if the Fixed-Floating Rate Note Provisions or the Floating-Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable, in respect of those Interest Periods for which the Fixed Rate Note Provisions are stated to apply.

(b) *Accrual of interest*: The Notes bear interest from, and including, the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 5 (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment). As specified in the relevant Final Terms, interest from such Notes may accrue on a different basis from that set out in this Condition 5.

(c) *Fixed Coupon Amount*: The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount.

(d) *Calculation of interest amount*: The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount by multiplying the product of the Rate of Interest for such Interest Period and the Calculation Amount by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose For this purpose a "**sub-unit**" means, in the case of any currency other than euro and Renminbi, the lowest amount of such currency that is available as legal tender in the country of such currency, in the case of euro, means one cent and, in the case of Renminbi, means CNY 0.01. Where the Specified Denomination of a Fixed Rate Note is the multiple of the Calculation Amount, the Amount of interest payable in respect of such Fixed Rate Note shall be the multiple of the product of the amounts (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

5B. Reset Note Provisions

(a) *Rates of Interest and Interest Payment Dates*: Each Reset Note bears interest:

(i) from (and including) the Interest Commencement Date until (but excluding) the First Reset Date at the Initial Rate of Interest;

(ii) from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the relevant Final Terms, the Maturity Date at the rate per annum equal to the First Reset Rate of Interest; and;

(iii) for each Subsequent Reset Period thereafter (if any), at the relevant Subsequent Reset Rate of Interest,

payable, in each case, in arrear on the each Interest Payment Date and on the Maturity Date if that does not fall on an Interest Payment Date. The Rate of Interest and the Interest Amount payable shall be determined by the Calculation Agent, (i) in the case of the Rate of Interest, at or as soon as practicable after each time at which the Rate of Interest is to be determined, subject to Condition 6(j) (*Benchmark Rate Replacement*), below, and (ii) in the case of the Interest Amount in accordance with the provisions for calculating amounts of interest in Condition 5 (*Fixed Rate Note Provisions*). Unless otherwise stated in the applicable Final Terms the Rate of Interest (inclusive of the First or Subsequent Margin) shall not be deemed to be less than zero.

For the purposes of the Conditions:

"**First Margin**" means the margin specified as such in the applicable Final Terms;

"**First Reset Date**" means the date specified in the applicable Final Terms;

"**First Reset Period**" means the period from (and including) the First Reset Date until (but excluding) the Second Reset Date or, if no such Second Reset Date is specified in the applicable Final Terms, the Maturity Date;

"**First Reset Rate of Interest**" means, in respect of the First Reset Period and subject to Condition 5B(b) (*Fallbacks*), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the First Margin (with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be made by the Calculation Agent));

"**Initial Rate of Interest**" has the meaning specified in the applicable Final Terms;

"**Interest Commencement Date**" means the date specified as such in the applicable Final Terms;

"**Mid-Market Swap Rate**" means for any Reset Period the mean of the bid and offered rates for the fixed leg payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (calculated on the day count basis customary for fixed rate payments in the Specified Currency as determined by the Calculation Agent) of a fixed-for-floating interest rate swap transaction in the Specified Currency which transaction (i) has a term equal to the relevant Reset Period and commencing on the relevant Reset Date, (ii) is in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market and (iii) has a floating leg based on the Mid-Swap Floating Leg Benchmark Rate for the Mid-Swap Maturity (as specified in the Form of Final Terms) (calculated on the day count basis customary for floating rate payments in the Specified Currency as determined by the Calculation Agent);

"**Mid-Market Swap Rate Quotation**" means a quotation (expressed as a percentage rate per annum) for the relevant Mid-Market Swap Rate;

"**Mid-Swap Floating Leg Benchmark Rate**" means EURIBOR if the Specified Currency is euro;

"**Mid-Swap Rate**" means, in relation to a Reset Determination Date and subject to Condition 5B(b) (*Fallbacks*), either:

(iv) if Single Mid-Swap Rate is specified in the Form of Final Terms, the rate for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appears on the Relevant Screen Page; or

(v) if Mean Mid-Swap Rate is specified in the applicable Final Terms, the arithmetic mean (expressed as a percentage rate per annum and rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the bid and offered swap rate quotations for swaps in the Specified Currency:

(A) with a term equal to the relevant Reset Period; and

(B) commencing on the relevant Reset Date,

which appear on the Relevant Screen Page,

in either case, as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on such Reset Determination Date, all as determined by the Calculation Agent;

"**Rate of Interest**" means the Initial Rate of Interest, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest, as applicable;

"**Reset Date**" means the First Reset Date, the Second Reset Date and each Subsequent Reset Date (as applicable);

"**Reset Determination Date**" means, in respect of the First Reset Period, the second Business Day prior to the First Reset Date, in respect of the first Subsequent Reset Period, the second Business Day prior to the Second Reset Date and, in respect of each Subsequent Reset Period thereafter, the second Business Day prior to the first day of each such Subsequent Reset Period;

"**Reset Period**" means the First Reset Period or a Subsequent Reset Period, as the case may be;

"**Second Reset Date**" means the date specified in the Form of Final Terms;

"**Subsequent Margin**" means the margin specified as such in the Form of Final Terms;

"**Subsequent Reset Date**" means the date or dates specified in the Form of Final Terms;

"**Subsequent Reset Period**" means the period from (and including) the Second Reset Date to (but excluding) the next Subsequent Reset Date, and each successive period from (and including) a Subsequent Reset Date to (but excluding) the next succeeding Subsequent Reset Date; and

"**Subsequent Reset Rate of Interest**" means, in respect of any Subsequent Reset Period and subject to Condition 5B(b) (*Fallbacks*), the rate of interest determined by the Calculation Agent on the relevant Reset Determination Date as the sum of the relevant Mid-Swap Rate and the relevant Subsequent Margin (with such sum converted (if necessary) to a basis equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (such calculation to be made by the Calculation Agent)).

(b) *Fallbacks*

If on any Reset Determination Date the Relevant Screen Page is not available or the Mid-Swap Rate does not appear on the Relevant Screen Page, the Issuer shall, subject as provided in Condition 6(j) (*Benchmark Rate Replacement*), request each of the Reference Banks (as defined below) to provide the Calculation Agent with its Mid-Market Swap Rate Quotation as at approximately 11.00 a.m. in the principal financial centre of the Specified Currency on the Reset Determination Date in question.

If two or more of the Reference Banks provide the Calculation Agent with Mid-Market Swap Rate Quotations, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) for the relevant Reset Period shall be the sum of the arithmetic mean (rounded, if necessary, to the nearest 0.001 per cent. (0.0005 per cent. being rounded upwards)) of the relevant Mid-Market Swap Rate Quotations and the First Margin or Subsequent Margin (as applicable), all as determined by the Calculation Agent.

If on any Reset Determination Date only one or none of the Reference Banks provides the Calculation Agent with a Mid-Market Swap Rate Quotation as provided in the foregoing provisions of this paragraph, the First Reset Rate of Interest or the Subsequent Reset Rate of Interest (as applicable) shall be determined to be the Rate of Interest as at the last preceding Reset Date or, in the case of the first Reset Determination Date, the First Reset Rate of Interest shall be the Initial Rate of Interest.

For the purposes of this Condition 5B(b) "**Reference Banks**" means the principal office in the principal financial centre of the Specified Currency of four major banks in the swap, money, securities or other market most closely connected with the relevant Mid-Swap Rate as selected by the Issuer on the advice of an investment bank of international repute.

6. **Floating Rate Note and Benchmark Replacement**

(a) *Application*: This Condition 6 is applicable to the Notes only if (a) the Floating Rate Note Provisions, CMS Linked Interest Notes or the Inflation-Linked Note Provisions are specified in the relevant Final Terms as being applicable; and (b) if the Fixed-Floating Rate Note Provisions or the Floating-Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable, in respect of those Interest Periods for which the Floating Rate Note Provisions are stated to apply. The applicable Final Terms contain provisions applicable to the determination of the interest and must be read in conjunction with this Condition 6 for full information on the manner in which interest is calculated. In addition, Condition 6(j) (*Benchmark Discontinuation*) is applicable to the Notes if the Reset Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Accrual of interest*: The Notes bear interest from, and including, the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments*). Each Note will cease to bear interest from the due date for final redemption unless payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6(b) (both before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment). As specified in the relevant Final Terms, interest from such Notes may accrue on a different basis from that set out in this Condition 6.

(c) *Screen Rate Determination*: Other than in respect of Notes for which SONIA, SOFR, €STR, SARON and/or CMS and/or any related index is specified as the Reference Rate in the relevant Final Terms, if Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis, subject to Condition 6(j) (Benchmark Replacement) below:

(i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(ii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;

(iii) if, on the Interest Determination Date the Calculation Agent determines that the Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, Reference Rate shall be the Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors)

and the Rate of Interest for such Interest Period shall be:

(i) if "Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined (the "**Determined Rate**");

(ii) if "**Multiplier**" is specified in the relevant Final Terms as being applicable the sum of (i) the Margin and (ii) the relevant Determined Rate multiplied by the Multiplier;

(iii) if "**Reference Rate Multiplier**" is specified in the relevant Final Terms as being applicable, the sum of (i) the Margin, and (ii) the relevant Determined Rate multiplied by the Reference Rate Multiplier,

provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or, as the case may be, the arithmetic mean last determined in relation to the Notes in respect of the immediately preceding Interest Period for which such rate or arithmetic mean was determined.

(d) *Floating Rate Notes which are CMS Linked Interest Notes*: Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be calculated as it follows, subject to Condition 6(j) (*Benchmark Replacement*) below:

(w) where "**CMS Reference Rate**" is specified as the Reference Rate in the applicable Final Terms, determined by the Calculation Agent by reference to the following formula:

CMS Rate + Margin

(x) where "**Leveraged CMS Reference Rate**" is specified as the Reference Rate in the applicable Final Terms, determined by the Calculation Agent by reference to the following formula:

Either:

(a) L x CMS Rate + M

(b) Min [max (L x CMS Rate + M; F); C]

(y) where "**Steepener CMS Reference Rate**" is specified as the Reference Rate in the applicable Final Terms, determined by the Calculation Agent by reference to the following formula:

Either:

(a) where "**Steepener CMS Reference Rate: Unleveraged**" is specified in the applicable Final Terms:

Min {[max (CMS Rate 1 – CMS Rate 2) + M; F]; C}

or:

(b) where "**Steepener CMS Reference Rate: Leveraged**" is specified in the applicable Final Terms:

Min {[max [L x (CMS Rate 1 – CMS Rate 2) + M; F]; C}

where:

C = Cap (if applicable)

F = Floor

L = Leverage

M= Margin

For the purposes of sub-paragraph (y):

"**CMS Rate**" shall mean the applicable swap rate for swap transactions in the Reference Currency with a maturity of the Designated Maturity, expressed as a percentage, which appears on the Relevant Screen Page as at the specified time on the Interest Determination Date in question, all as determined by the Calculation Agent.

"**Cap**", "**CMS Rate 1**", "**CMS Rate 2**", "**Floor**", "**Leverage**" and "**Margin**" shall have the meanings given to those terms in the applicable Final Terms.

If, on the Interest Determination Date the Calculation Agent determines that the Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, Reference Rate shall be the Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding Business Day on which the Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors)

and the Rate of Interest for such Interest Period shall be:

(i) if "Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined (the "**Determined Rate**");

(ii) if "**Multiplier**" is specified in the relevant Final Terms as being applicable the sum of (i) the Margin and (ii) the relevant Determined Rate multiplied by the Multiplier;

(iii) if "**Reference Rate Multiplier**" is specified in the relevant Final Terms as being applicable, the sum of (i) the Margin, and (ii) the relevant Determined Rate multiplied by the Reference Rate Multiplier,

provided, however, that if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or, as the case may be, the arithmetic mean last determined in relation to the Notes in respect of the immediately preceding Interest Period for which such rate or arithmetic mean was determined.

(e) *Interest – Floating Rate Notes referencing SONIA*

(i) This Condition 6(e) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable and the "Reference Rate" is specified in the relevant Final Terms as being "SONIA".

(ii) Where "SONIA" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent.

(iii) For the purposes of this Condition 6(e):

"**Compounded Daily SONIA**", with respect to an Interest Period, will be calculated by the Calculation Agent on each Interest Determination Date in accordance with the following formula, and the resulting percentage will be rounded, if necessary, to the fourth decimal place, with 0.00005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SONIA_i \times n_i}{\mathrm{D}}\right)-1\right]\times\frac{\mathrm{D}}{d}$$

"**d**" means the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period; or

(iii) where if such number is not specified, 365;

"**D**" is the number specified in the relevant Final Terms (or, if no such number is specified, 365);

"**do**" means the number of London Banking Days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**i**" means a series of whole numbers from one to do, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period,

to, and including, the last London Banking Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling p London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling p London Banking Days prior to such earlier date, if any, on which the Notes are due and payable).

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**ni**" for any London Banking Day "i", in the relevant Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such London Banking Day "i" up to, but excluding, the following London Banking Day;

"Observation Period" means, in respect of an Interest Period, the period from, and including, the date falling "p" London Banking Days prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is p London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling p London Banking Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable), means the number of London Banking Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms which shall not be less than three London Banking days at any time and shall, unless otherwise agreed with the Calculation Agent (or such other person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest), be no less than five London Banking Days;

"**SONIA Reference Rate**" means, in respect of any London Banking Day, a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Banking Day as provided by the administrator of SONIA to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors) on the London Banking Day immediately following such London Banking Day; and

"**SONIAi**" means the SONIA Reference Rate for:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the London Banking Day falling "p" London Banking Days prior to the relevant London Banking Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms; the relevant London Banking Day "i";

For the avoidance of doubt, the formula for the calculation of Compounded Daily SONIA only compounds the SONIA Reference Rate in respect of any London Banking Day. The SONIA Reference Rate applied to a day that is a non-London Banking Day will be taken by applying the SONIA Reference Rate for the previous London Banking Day but without compounding.

(iv) If, in respect of any London Banking Day in the relevant Interest Period or Observation Period (as applicable), the Calculation Agent determines that the SONIA Reference Rate is not available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, such SONIA Reference Rate shall, subject to Condition 6(j) (*Benchmark Replacement*), be:

(A) the sum of (a) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; and (b) the mean of the spread of the SONIA Reference Rate to the Bank Rate over the previous five London Banking Days on which a SONIA Reference Rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; or

(B) if the Bank Rate is not published by the Bank of England at close of business on the relevant London Banking Day, SONIA Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding London Banking Day on which the SONIA Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) or, if this is more recent, the latest determined rate under (A).

(v) Subject to Condition 6(j) (*Benchmark Replacement*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 6(e), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period), in each case as determined by the Calculation Agent.

(f) *Interest – Floating Rate Notes referencing SOFR (Screen Rate Determination)*

(i) This Condition 6(f) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "SOFR".

(ii) Where "SOFR" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be the Benchmark plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.

(iii) For the purposes of this Condition 6(f):

"**Benchmark**" means Compounded SOFR, which is a compounded average of daily SOFR, as determined for each Interest Period in accordance with the specific formula and other provisions set out in this Condition 6(f).

Daily SOFR rates will not be published in respect of any day that is not a U.S. Government Securities Business Day, such as a Saturday, Sunday or holiday. For this reason, in determining Compounded SOFR in accordance with the specific formula and other provisions set forth herein, the daily SOFR rate for any U.S. Government Securities Business Day that immediately precedes one or more days that are not U.S. Government Securities Business Days will be multiplied by the number of calendar days from and including such U.S. Government Securities Business Day to, but excluding, the following U.S. Government Securities Business Day.

If the Issuers determine that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred in respect of Compounded SOFR (or the daily SOFR used in the calculation hereof) prior to the relevant SOFR Determination Time, then the provisions under Condition 6(f)(iv) below will apply.

"**Compounded SOFR**" with respect to any Interest Period, means the rate of return of a daily compound interest investment computed in accordance with the following formula (and the resulting percentage will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point, with 0.000005 being rounded upwards to 0.00001):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{SOFR_i \times n_i}{\mathrm{D}}\right)-1\right]\times\frac{\mathrm{D}}{d}$$

"**d**" is the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period.

"**D**" is the number specified in the relevant Final Terms (or, if no such number is specified, 360);

"$\mathbf{d_o}$" is the number of U.S. Government Securities Business Days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period.

"**i**" is a series of whole numbers from one to d_o, each representing the relevant U.S. Government Securities Business Day in chronological order from, and including, the first U.S. Government Securities Business Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period,

to and including the last US Government Securities Business Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" U.S. Government Securities Business Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes are due and payable);

"**ni**" for any U.S. Government Securities Business Day "i" in the relevant Interest Period or Observation Period (as applicable), is the number of calendar days from, and including, such U.S. Government Securities Business Day "i" to, but excluding, the following U.S. Government Securities Business Day ("**i+1**");

"**Observation Period**" in respect of an Interest Period means the period from, and including, the date falling "p" U.S. Government Securities Business Days preceding the first day in such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to, but excluding, the date falling "p" U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period (or the date falling "p" U.S. Government Securities Business Days prior to such earlier date, if any, on which the Notes become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable) means the number of U.S. Government Securities Business Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms which shall not be less than three U.S. Government Securities Business days at any time and shall, unless otherwise agreed with the Calculation Agent (or such other person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest), be no less than five U.S. Government Securities Business Days;

"**SOFR**" with respect to any U.S. Government Securities Business Day, means:

(i) the Secured Overnight Financing Rate published for such U.S. Government Securities Business Day as such rate appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day (the "**SOFR Determination Time**"); or

(ii) Subject to Condition 6(f)(iv) below, if the rate specified in (i) above does not so appear, the Secured Overnight Financing Rate as published in respect of the first preceding U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website;

"**SOFR Administrator**" means the Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate);

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, or any successor source;

"**SOFRi**" means the SOFR for:

(i) where "Lag" is specified as the Observation Method in the applicable Final Terms, the U.S. Government Securities Business Day falling "p" U.S. Government Securities Business Days prior to the relevant U.S. Government Securities Business Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant U.S. Government Securities Business Day "i"; and

"**U.S. Government Securities Business Day**" means any day except for a Saturday, a Sunday or a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. government securities.

(iv) If the Issuer determines on or prior to the relevant Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the Notes in respect of all determinations on such date and for all determinations on all subsequent dates. In connection with the implementation of a Benchmark Replacement, the Issuer will have the right to make

Benchmark Replacement Conforming Changes from time to time, without any requirement for the consent or approval of the Noteholders.

Any determination, decision or election that may be made by the Issuer pursuant to this section, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

(i) will be conclusive and binding absent manifest error;

(ii) will be made in the sole discretion of the Issuer; and

(iii) notwithstanding anything to the contrary in the documentation relating to the Notes, shall become effective without consent from the holders of the Notes or any other party.

"**Benchmark**" means, initially, Compounded SOFR, as such term is defined above; provided that if the Issuer determines on or prior to the Reference Time that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to Compounded SOFR (or the published daily SOFR used in the calculation thereof) or the then-current Benchmark, then "Benchmark" shall mean the applicable Benchmark Replacement.

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

(i) the sum of: (A) the alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark and (B) the Benchmark Replacement Adjustment;

(ii) the sum of: (A) the ISDA Fallback Rate and (B) the Benchmark Replacement Adjustment; or

(iii) the sum of: (A) the alternate rate of interest that has been selected by the Issuer as the replacement for the then-current Benchmark giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time and (B) the Benchmark Replacement Adjustment;

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by the Issuer as of the Benchmark Replacement Date:

(i) the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(ii) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, the ISDA Fallback Adjustment; or

(iii) the spread adjustment (which may be a positive or negative value or zero) that has been selected by the Issuer giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated floating rate notes at such time;

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the timing and frequency of determining rates and making payments of interest, rounding of amounts or tenors, and other administrative matters) that the Issuers decide may be appropriate

to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if the Issuers decide that adoption of any portion of such market practice is not administratively feasible or if the Issuers determine that no market practice for use of the Benchmark Replacement exists, in such other manner as the Issue determine is reasonably necessary);

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(i) in the case of sub-paragraph (a), (b) or (c) of the definition of "Benchmark Transition Event" below, the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark (or such component); or

(ii) in the case of sub-paragraph (d), (e) or (f) of the definition of "Benchmark Transition Event" below, the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event that gives rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination;

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark (including the daily published component used in the calculation thereof):

(a) the Benchmark has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or

(b) a public statement by the administrator of the Benchmark that it has ceased, or will cease, publishing such Benchmark permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of such Benchmark); or

(c) a public statement by the supervisor of the administrator of the Benchmark that such Benchmark has been or will be permanently or indefinitely discontinued; or

(d) a public statement by the supervisor of the administrator of the Benchmark (as applicable) that means that such Benchmark will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or

(e) a public statement by the supervisor of the administrator of the Benchmark that, in the view of such supervisor, such Benchmark is no longer representative of an underlying market; or

(f) it has or will become unlawful for the Calculation Agent or the Issuer to calculate any payments due to be made to any Noteholder using the relevant Benchmark (as applicable) (including, without limitation, under the BMR, if applicable).

Unless otherwise specified in the relevant Final Terms, the change of the Benchmark methodology does not constitute a Benchmark Transition Event. In the event of a change in the formula and/or (mathematical or other) methodology used to measure the Relevant Benchmark, reference shall be made to the Benchmark based on the formula and/or methodology as changed.

"**BMR**" means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No. 596/2014 as amended or replaced from time to time;

"**ISDA Fallback Adjustment**" means the spread adjustment (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the 2006 ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark;

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the 2006 ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable tenor excluding the applicable ISDA Fallback Adjustment;

"**Reference Time**" with respect to any determination of the Benchmark means (i) if the Benchmark is Compounded SOFR, the SOFR Determination Time, and (ii) if the Benchmark is not Compounded SOFR, the time determined by the Issuer after giving effect to the Benchmark Replacement Conforming Changes;

"**Relevant Governmental Body**" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto; and

"**Unadjusted Benchmark Replacement**" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

(v) Any Benchmark Replacement, Benchmark Replacement Adjustment and the specific terms of any Benchmark Replacement Conforming Changes, determined under Condition above will be notified promptly by the Issuer to the Paying Agent, the Calculation Agent, the Paying Agents and, in accordance with Condition 17 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date on which such changes take effect.

No later than notifying the Paying Agent, the Calculation Agent and the Paying Agents of the same, the Issuer shall make available at its office a certificate signed by two authorised signatories of the Issuer:

(A) confirming (x) that a Benchmark Transition Event has occurred, (y) the relevant Benchmark Replacement and, (z) where applicable, any Benchmark Replacement Adjustment and/or the specific terms of any relevant Benchmark Replacement Conforming Changes, in each case as determined in accordance with the provisions of this Condition 6(f); and

(B) certifying that the relevant Benchmark Replacement Conforming Changes are necessary to ensure the proper operation of such Benchmark Replacement and/or Benchmark Replacement Adjustment.

(vi) For the avoidance of doubt, no consent of the Noteholders shall be required for a variation (as applicable) of the Notes in accordance with Condition 6(f)(v) above.

(vii) If the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 6(f), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(g) *Interest – Floating Rate Notes referencing €STR (Screen Rate Determination)*

(i) This Condition 6(g) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "**€STR**".

(ii) Where "**€STR**" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.

(iii) For the purposes of this Condition 6(g):

"**Compounded Daily €STR**" means, with respect to any Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{\text{€STR}_i \times n_i}{\text{D}}\right)-1\right]\times\frac{\text{D}}{d}$$

where:

"**d**" means the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**D**" means the number specified as such in the relevant Final Terms (or, if no such number is specified, 360);

"**d_o**" means the number of TARGET Settlement Days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

the "**€STR reference rate**", in respect of any TARGET Settlement Day, is a reference rate equal to the daily euro short-term rate ("**€STR**") for such TARGET Settlement Day as provided by the European Central Bank as the administrator of €STR (or any successor administrator of such rate) on the website of the European Central Bank (or, if no longer published on its website, as otherwise published by it or provided by it to authorised distributors and as then published on the Relevant Screen Page or, if the Relevant Screen Page is unavailable, as otherwise published by such authorised distributors) on the TARGET Settlement Day immediately following such TARGET Settlement Day (in each case, at the time specified by, or determined in accordance with, the applicable methodology, policies or guidelines, of the European Central Bank or the successor administrator of such rate);

"**€STR$_i$**" means the €STR reference rate for:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the TARGET Settlement Day falling "p" TARGET Settlement Days prior to the relevant TARGET Settlement Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant TARGET Settlement Day "i".

"**i**" is a series of whole numbers from one to "d_o", each representing the relevant TARGET Settlement Day in chronological order from, and including, the first TARGET Settlement Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

to, and including, the last TARGET Settlement Day in such period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling "p" TARGET Settlement Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" TARGET Settlement Days prior to such earlier date, if any, on which the Notes are due and payable);

"**n_i**" for any TARGET Settlement Day "i" in the relevant Interest Period or Observation Period (as applicable), means the number of calendar days from (and including) such TARGET Settlement Day "i" up to (but excluding) the following TARGET Settlement Day;

"**Observation Period**" means, in respect of any Interest Period, the period from (and including) the date falling "p" TARGET Settlement Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) to (but excluding) the date falling "p" TARGET Settlement Days prior to (A) (in the case of an Interest Period) the Interest Payment Date for such Interest Period or (B) such earlier date, if any, on which the Notes become due and payable; and

"**p**" for any latest Interest Period or Observation Period (as applicable), means the number of TARGET Settlement Days specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms or, if no such period is specified, five TARGET Settlement Days.

(iv) Subject to Condition 6(j) (*Benchmark Replacement*), if, where any Rate of Interest is to be calculated pursuant to Condition 6(g)(ii) above, in respect of any TARGET Settlement Day in respect of which an applicable €STR reference rate is required to be determined, such €STR reference rate is not made available on the Relevant Screen Page and has not otherwise been published by the relevant authorised distributors, then the €STR reference rate in respect of such TARGET Settlement Day shall be the €STR reference rate for the first preceding TARGET Settlement Day in respect of which €STR reference rate was published by the European Central Bank on its website.

(v) Subject to Condition 6(j) (*Benchmark Replacement*), if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this Condition 6(g), the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Rate of Interest which would have been applicable to the Notes for the first Interest Period had the Notes been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and

excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(h) *Interest – Floating Rate Notes referencing SARON (Screen Rate Determination)*

(i) This Condition 6(h) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable, Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, and the "Reference Rate" is specified in the relevant Final Terms as being "**SARON**".

(ii) Where "**SARON**" is specified as the Reference Rate in the Final Terms, the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily €STR plus or minus (as specified in the relevant Final Terms) the Margin, all as determined by the Calculation Agent on each Interest Determination Date.

(iii) For the purposes of this Condition 6(h):

"**Compounded Daily SARON**" means, with respect to any Interest Period, the rate of return of a daily compound interest investment (with the daily euro short-term rate as reference rate for the calculation of interest) as calculated by the Calculation Agent as at the relevant Interest Determination Date in accordance with the following formula (and the resulting percentage will be rounded if necessary to the nearest fifth decimal place, with 0.000005 being rounded upwards):

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{\text{SARON}_{i-\rho SIXBD}\ \times\ n_i}{360}\right)-1\right]\times\frac{360}{d}$$

"**d**" means the number of calendar days in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**do**" means the number of SIX Business Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Interest Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**i**" means a series of whole numbers from one to "do", each representing the relevant SIX Business Day in chronological order from, and including, the first SIX Business Day in:

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the relevant Remuneration Period; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms, the relevant Observation Period;

"**Interest Determination Date**" means, in respect of any Interest Period, the date falling p SIX Business Day prior to the Interest Payment Date for such Remuneration Period (or the date falling p SIX Business Day prior to such earlier date, if any, on which the Securities are due and payable).

"**SIX Business Day**" or "**SIXBD**" means a day (other than a Saturday or Sunday) which is not marked as currency holiday for CHF in the Trading & Currency Holiday Calendar published by SIX Swiss Exchange;

"$\mathbf{n_i}$" for any SIX Business Day "i", in the relevant Interest Period or Observation Period (as applicable) is the number of calendar days from, and including, such SIX Business Day "i" up to, but excluding, the following SIX Business Day;

"**Observation Period**" means, in respect of an Interest Period, the period from, and including, the date falling "p" SIX Business Day prior to the first day of such Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date which is p SIX Business Day prior to the Interest Payment Date for such Interest Period (or the date falling p SIX Business Day prior to such earlier date, if any, on which the Securities become due and payable);

"**p**" for any Interest Period or Observation Period (as applicable), means the number of SIX Business Day specified as the "Lag Period" or the "Observation Shift Period" (as applicable) in the relevant Final Terms provided that "p" shall not be less than five SIX Business Days without prior written approval of the Paying Agent;

"**SARON Reference Rate**" means, in respect of any SIX Business Day, a reference rate equal to the daily Swiss Average Rate Overnight ("SARON") rate for such SIX Business Day as provided by the administrator of SARON to authorised distributors and as then published on the Relevant Screen Page (or if the Relevant Screen Page is unavailable, as otherwise is published by such authorised distributors) on the SIX Business Day immediately following such SIX Business Day; and

*"**SARONi**" means the SARON Reference Rate for:*

(i) where "Lag" is specified as the Observation Method in the relevant Final Terms, the SIX Business Day falling "p" SIX Business Days prior to the relevant SIX Business Day "i"; or

(ii) where "Observation Shift" is specified as the Observation Method in the relevant Final Terms; the relevant SIX Business Day "i";

For the avoidance of doubt, the formula for the calculation of Compounded Daily SARON only compounds the SARON Reference Rate in respect of any SIX Business Day. The SARON Reference Rate applied to a day that is a non- SIX Business Day will be taken by applying the SARON Reference Rate for the previous SIX Business Day but without compounding.

If, in respect of any SIX Business Day in the relevant Interest Period or Observation Period (as applicable), the Issuer or an Independent Advisor on the Issuer's behalf determines that the SARON Reference Rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorised distributors, such SARON Reference Rate shall, subject to subject to Security Condition 6(j) (*Benchmark Rate Replacement*), be the SARON Reference Rate published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors) for the first preceding SIX Business Day on which the SARON Reference Rate was published on the Relevant Screen Page (or otherwise published by the relevant authorised distributors).

Subject to Condition 6(j) (*Benchmark Rate Replacement*), if the Rate of Interest Rate cannot be determined in accordance with the foregoing provisions of this Condition 6(h) the Rate of Interest shall be (A) that determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the Margin relating to that last preceding Interest Period) or (B) if there is no such preceding Interest Determination Date, the initial Interest Rate which would have been applicable to the Securities for the first Interest Period had the Securities

been in issue for a period equal in duration to the scheduled first Interest Period but ending on (and excluding) the Interest Commencement Date (but applying the Margin applicable to the first Interest Period).

(i) *ISDA Determination*: If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be:

(i) if "Multiplier" is specified in the relevant Final Terms as not being applicable, the sum of the Margin and the relevant ISDA Rate;

(ii) if "Multiplier" is specified in the relevant Final Terms as being applicable the sum of (i) the Margin and (ii) the relevant ISDA Rate multiplied by the Multiplier;

(iii) if "**Reference Rate Multiplier**" is specified in the relevant Final Terms as being applicable, the sum of (i) the Margin, and (ii) the relevant ISDA Rate multiplied by the Reference Rate Multiplier,

where "**ISDA Rate**" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

(i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;

(ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms;

(iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on the Euro-zone interbank offered rate (EURIBOR) for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Final Terms (provided that such Reset Date shall not be less than five Business days prior to the Interest Payment Date unless expressly agreed with the Calculation Agent (or such other person specified in the applicable Final Terms as the party responsible for calculating the Rate of Interest).; and

(iv) if applicable, the "Applicable Benchmark", "Fixing Day", "Fixing Time" and/or any other items specified in the relevant Final Terms are as specified in the relevant Final Terms.

The definition of 'Fallback Observation Day' in the ISDA Definitions shall be deemed deleted in its entirety and replaced with the following: "Fallback Observation Day" means, in respect of a Reset Date and the Calculation Period (or any Compounding Period included in that Calculation Period) to which that Reset Date relates, unless otherwise agreed, the day that is five Business Days preceding the related Payment Date. If "2021 ISDA Definitions" is specified in the applicable Final Terms, then if the Temporary Non-Publication Fallback in respect of any specified Floating Rate Option is specified to be "Temporary Non-Publication Fallback – Alternative Rate" in the Floating Rate Matrix of the 2021 ISDA Definitions, the reference to "Calculation Agent Alternative Rate Determination" in the definition of "Temporary Non-Publication Fallback – Alternative Rate" shall be replaced by "Temporary Non-Publication Fallback – Previous Day's Rate.

Unless otherwise defined capitalised terms used in this Condition 6(i) shall have the meaning ascribed to them in the ISDA Definitions.

(j) *Benchmark Replacement*: Other than in the case of a U.S. dollar-denominated floating rate Note for which the Reference Rate is specified in the relevant Final Terms as being "SOFR", notwithstanding

the foregoing provisions of this Condition 6, if the Issuer (or the person specified in the relevant Final Terms as the party responsible for calculating the Rate of Interest and the Interest Amount(s))) determines that a Benchmark Event has occurred, when any Rate of Interest (or the relevant component part thereof) remains to be determined by reference to a Reference Rate, then the following provisions shall apply:

(i) the Issuer shall use reasonable endeavours to appoint an Independent Adviser for the determination (with the Issuer's agreement) of a Successor Rate or, alternatively, if the Independent Adviser and the Issuer agree that there is no Successor Rate, an alternative rate (the "**Alternative Benchmark Rate**") and will notify the Paying Agent and Calculation Agent in either case and, an alternative screen page or source (the "**Alternative Relevant Screen Page**") and an Adjustment Spread (if applicable) no later than ten (10) Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period (the "**IA Determination Cut-off Date**") for purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods (as applicable) (subject to the subsequent operation of this Condition 6(j));

(ii) the Alternative Benchmark Rate shall be such rate as the Independent Adviser and the Issuer acting in good faith agree has replaced the relevant Reference Rate and notifies the Paying Agent and the Calculation Agent in customary market usage for the purposes of determining floating rates of interest or reset rates of interest in respect of eurobonds denominated in the Specified Currency, or, if the Independent Adviser and the Issuer agree that there is no such rate, such other rate as the Independent Adviser and the Issuer acting in good faith agree is most comparable to the relevant Reference Rate, and the Alternative Relevant Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate;

(iii) if the Issuer is unable to appoint an Independent Adviser, or if the Independent Adviser and the Issuer cannot agree upon, or cannot select a Successor Rate or an Alternative Benchmark Rate and Alternative Relevant Screen Page prior to the IA Determination Cut-off Date in accordance with sub-paragraph (ii) above, then the Issuer (acting in good faith and in a commercially reasonable manner) may determine which (if any) rate has replaced the relevant Reference Rate in customary market usage for purposes of determining floating rates of interest or reset rates of interest in respect of eurobonds denominated in the Specified Currency, or, if it determines that there is no such rate, which (if any) rate is most comparable to the relevant Reference Rate, and the Alternative Benchmark Rate shall be the rate so determined by the Issuer and the Alternative Relevant Screen Page shall be such page of an information service as displays the Alternative Benchmark Rate; *provided however that* if (a) this sub-paragraph (iii) applies and the Issuer is unable or unwilling to determine an Alternative Benchmark Rate and Alternative Relevant Screen Page the Issuers will notify the Paying Agent and the Calculation Agent of such determination no later than ten (10) Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period in accordance with this sub-paragraph (iii), or (b) in case the provisions relating to the occurrence of a Regulatory Event in case of a Benchmark Event are specified as applicable in the relevant Final Terms or the provisions relating to the occurrence of an MREL Disqualification Event in case of a Benchmark Event is specified as applicable in the relevant Final Terms (as applicable), the provisions under this Condition 6(j) would cause the occurrence of a Regulatory Event or an MREL Disqualification Event (as applicable), or (c) in the case of Senior Preferred Notes or Senior Non-Preferred Notes only, the provisions under this Condition 6(j) would result in the Relevant Authority treating an Interest Payment Date as the effective maturity date of the Notes, rather than the relevant Maturity Date, ***then*** the Reference Rate applicable to such Interest Period shall be equal to the Reference Rate for a term equivalent to the Relevant Interest Period published on the Relevant Screen Page as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period, in place of the margin relating to that last preceding Interest Period). For the avoidance of doubt, this paragraph shall apply to the relevant next succeeding Interest Period, and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, the first paragraph of this Condition 6(j).

(iv) if a Successor Rate or an Alternative Benchmark Rate and an Alternative Relevant Screen Page is determined in accordance with the preceding provisions, such Successor Rate or Alternative Benchmark Rate and Alternative Relevant Screen Page shall be the benchmark and the Relevant Screen Page in relation to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 6(j));

(v) if the Issuer, following consultation with the Independent Adviser and acting in good faith, determines that (a) an Adjustment Spread is required to be applied to the Successor Rate or Alternative Benchmark Rate and (b) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or Alternative Benchmark Rate for each subsequent determination of a relevant Rate of Interest and Interest Amount(s) (or a component part thereof) by reference to such Successor Rate or Alternative Benchmark Rate;

(vi) if a Successor Rate or an Alternative Benchmark Rate and/or Adjustment Spread is determined in accordance with the above provisions, the Independent Adviser (with the Issuer's agreement) or the Issuer (as the case may be), may also specify amendments to the Day Count Fraction, Relevant Screen Page, Business Day Convention, Business Days, Interest Determination Date and/or the definition of Reference Rate applicable to the Notes, and the method for determining the fallback rate in relation to the Notes, in order to follow market practice in relation to the Successor Rate or Alternative Benchmark Rate and/or Adjustment Spread, which amendments shall apply to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 6(j)); and

(vii) the Issuer shall promptly following the determination of any Successor Rate or Alternative Benchmark Rate and Alternative Relevant Screen Page and Adjustment Spread (if any) give notice thereof and of any changes pursuant to sub-paragraph (vi) above to the Calculation Agent, the Paying Agent and the Noteholders in accordance with Condition 17 (*Notices*). Prior to any amendment being effected under this Condition 6(j) due to a Benchmark Event (each, a "**Benchmark Amendment**") taking effect, the Issuer shall provide a certificate signed by two Authorised Signatories to the Paying Agent, the Calculation Agent and the Paying Agent confirming, in the Issuer's reasonable opinion (following consultation with the Independent Adviser), (i) that a Benchmark Event has occurred, (ii) the Successor Rate or Alternative Reference Rate (as applicable), (iii) where applicable, any Adjustment Spread and (iv) where applicable, the terms of any Benchmark Amendments in each case determined in accordance with this Condition 6 that such Benchmark Amendments are necessary to give effect to any application of this Condition 6 and the Paying Agent, the Calculation Agent and the Paying Agent shall be entitled to rely on such certificate without further enquiry or liability to any person. For the avoidance of doubt, the Paying Agent, the Calculation Agent and the Paying Agent shall not be liable to the Noteholders or any other person for so acting or relying on such certificate, irrespective of whether any such modification is or may be materially prejudicial to the interests of any such person. The Successor Rate or Alternative Benchmark Rate (as applicable) or where applicable, any Adjustment Spread and any Benchmark Amendments and without prejudice to the Paying Agent, the Calculation Agent and the Paying Agent ability to rely on such certificate (as aforesaid) will be binding on the Issuer, the Agents (or such other Calculation Agent specified in the applicable Final Terms), the other Paying Agents, and the Noteholders.

(viii) For the avoidance of doubt, no consent of the Noteholders shall be required for a variation (as applicable) of the Notes in accordance with Condition 6(j)(vii) above.

(ix) Notwithstanding any other provision of this Condition 6(j), if in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 6(j), the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason, it shall notify the Issuer thereof and the Calculation Agent

shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

(k) *Maximum or Minimum Rate of Interest*: If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.

(l) *Change of Interest Basis.* If Change of Interest Basis is specified as applicable in the applicable Final Terms, the interest payable in respect of the Notes will be calculated in accordance with Condition 5 (*Fixed Rate Note Provisions*) or this Condition 6, each applicable only for the relevant periods specified in the applicable Final Terms.

If Change of Interest Basis is specified as applicable in the applicable Final Terms, and Issuer's Switch Option is also specified as applicable in the applicable Final Terms, the Issuer may, on one or more occasions, as specified in the applicable Final Terms, at its option (any such option, a "**Switch Option**"), having given notice to the Noteholders in accordance with Condition 17 (*Notices*) on or prior to the relevant Switch Option Expiry Date, change the Interest Basis of the Notes from Fixed Rate to Floating Rate or Floating Rate to Fixed Rate or as otherwise specified in the applicable Final Terms with effect from (and including) the Switch Option Effective Date specified in the applicable Final Terms to (but excluding) the Maturity Date (or, where more than one Switch Option Effective Date is specified in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date), *provided that* (A) the Switch Option may be exercised only in respect of all the outstanding Notes, (B) upon exercise of a Switch Option, the Interest Basis change will be effective from (and including) the relevant Switch Option Effective Date until the Maturity Date (or, where more than one Switch Option Effective Date is specified as applicable in the applicable Final Terms, up to and excluding the next following Switch Option Effective Date to the extent the related Switch Option is exercised), and (C) where a Switch Option has not been exercised prior to the relevant Switch Option Expiry Date, the Issuers shall no longer be entitled to exercise such Switch Option and the Interest Basis shall not change.

"**Switch Option Expiry Date**" and "**Switch Option Effective Date**" shall mean any date specified as such in the applicable Final Terms *provided that* any date specified in the applicable Final Terms as a Switch Option Effective Date shall be deemed as such subject to the exercise of the relevant Switch Option having been notified to the Issuer pursuant to this Condition and in accordance with Condition 17 (*Notices*) prior to the relevant Switch Option Expiry Date.

(m) *Calculation of Interest Amount*: The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount of such Note during such Interest Period and multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit rounded upwards). For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent. Where the Specified Denomination of a Floating Rate Note or an Inflation-Linked Interest Note is the multiple of the Calculation Amount, the Interest Amount payable in respect of such Note shall be the product of the amounts (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination without any further rounding.

(n) *Calculation of other amounts*: If the relevant Final Terms specifies that any other amount is to be calculated by the Calculation Agent, the Calculation Agent will, as soon as practicable after the time or times at which any such amount is to be determined, calculate the relevant amount. The relevant amount will be calculated by the Calculation Agent in the manner specified in the relevant Final Terms.

(o) *Publication*: The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Issuer, the Paying Agents, Monte Titoli and each stock exchange (if any) on which the Notes are then listed as soon as

practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders in accordance with Condition 17 (*Notices*). The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period.

(p) *Notifications etc*: All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent will (in the absence of manifest error) be binding on the Issuer, the Paying Agent, the Noteholders and Monte Titoli and (subject as aforesaid) no liability to any such person will attach to the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

7. **Inflation-Linked Note**

This Condition 7 is applicable to the Notes only if the Inflation-Linked Notes Provisions are specified in the relevant Final Terms as being applicable.

(a) ***Inflation-Linked Note Provisions***

(i) *Rate of Interest – Inflation-Linked Notes*

The Rate of Interest payable from time to time in respect of [YoY] Inflation-Linked Notes, for each Interest Period, shall be determined by the Calculation Agent, or other party specified in the Final Terms, on the relevant Determination Date in accordance with the following formula:

Rate of Interest = [[Index Factor]*[YoY] Inflation] + Margin

subject to the Minimum Rate of Interest or the Maximum Rate of Interest if, in either case, designated as applicable in the applicable Final Terms in which case the provisions of Condition 6(k) (*Maximum or Minimum Rate of Interest*) above shall apply as appropriate.

Where:

"**Index Factor**" has the meaning given to it in the applicable Final Terms, *provided that* if Index Factor is specified as "**Not Applicable**", the Index Factor shall be deemed to be equal to one;

"**Inflation Index**" has the meaning given to it in the applicable Final Terms;

"[**YoY] Inflation**" means in respect of the Specified Interest Payment Date falling in month (t), the value calculated in accordance with the following formula:

$$\left[\frac{InflationIndex(t)}{InflationIndex(t-1)}-1\right]$$

"**Inflation Index (t)**" means the value of the Inflation Index for the Reference Month in the calendar year in which the relevant Specified Interest Payment Date and/or the Maturity Date falls;

"**Inflation Index (t-1)**" means the value of the Inflation Index for the Reference Month in the calendar year preceding the calendar year in which the relevant Specified Interest Payment Date falls;

"**Margin**" has the meaning given to it in the applicable Final Terms;

"**Reference Month**" has the meaning given to it in the applicable Final Terms; and

The Rate of Interest shall be rounded (if necessary) to the fifth decimal place, with 0.000005 being rounded upwards.

(ii) *Redemption Amount – [YoY] Inflation-Linked Notes*

The Final Redemption Amount payable on the Maturity Date in respect of [YoY] Inflation-Linked Notes may be (i) 100% of the Nominal Amount of the Notes or (ii) (if so specified in the applicable Final Terms) a [YoY] Indexed Redemption Amount to be calculated on the [Maturity Date/ relevant Determination Date] on the basis of the following formula:

[[YoY] Indexed Redemption Amount = Nominal Amount x (Inflation Index (t)/Inflation Index (0))]

Where:

"**Inflation Index (t)**" means the value of the Inflation Index for the Reference Month in the calendar year in which the relevant Specified Interest Payment Date and/or the Maturity Date falls; and

"**Inflation Index (0)**" means the value of the Inflation Index for the Reference Month in the calendar year in which the relevant Issue Date falls.

The [YoY] Indexed Redemption Amount may be subject to a minimum or a maximum amount (if so specified in the applicable Final Terms) *provided that* under no circumstances shall the Final Redemption Amount be less than the Nominal Amount of the Notes.

(iii) *Inflation-Linked Note Provisions*

Unless previously redeemed or purchased and cancelled in accordance with this Condition 7 or as specified in the applicable Final Terms and subject to this Condition 7, each Inflation-Linked Note will bear interest in the manner specified in the applicable Final Terms and the Conditions.

The following provisions apply to Inflation-Linked Notes:

"**Additional Disruption Event**" means any of Change of Law, Hedging Disruption and/or Increased Cost of Hedging, in each case if specified in the applicable Final Terms, and such other events (if any) specified as an Additional Disruption Event in the applicable Final Terms.

"**Change of Law**" means that, on or after the Trade Date (as specified in the applicable Final Terms):

(A) due to the adoption of or any change in any applicable law or regulation (including, without limitation, any tax law), or

(B) due to the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority),

the Calculation Agent determines in its discretion that (i) it has become illegal to hold, acquire or dispose of any relevant hedging arrangements in respect of the Inflation Index, or (ii) any Hedging Party will incur a materially increased cost in performing its obligations in relation to the Notes (including, without limitation, due to any increase in tax liability, decrease in tax benefit or other adverse effect on the tax position of the Issuers, any of its affiliates or any other Hedging Party).

"**Cut-Off Date**" means, in respect of a Determination Date, five (5) Business Days prior to any due date for payment under the Notes for which valuation on the relevant Determination Date is relevant, unless otherwise stated in the applicable Final Terms.

"**Delayed Index Level Event**" means, in respect of any Determination Date and an Inflation Index, that the relevant Inflation Index Sponsor fails to publish or announce the level of such Inflation Index (the Relevant Level) in respect of any Reference Month which is to be utilised in any calculation or determination to be made by the Issuer in respect of such Determination Date, at any time on or prior to the Cut-Off Date.

"**Determination Date**" means each date specified as such in the applicable Final Terms.

"**End Date**" means each date specified as such in the applicable Final Terms.

"**Fallback Bond**" means, in respect of an Inflation Index, a bond selected by the Calculation Agent and issued by the government of the country to whose level of inflation the relevant Inflation Index relates and which pays a coupon or redemption amount which is calculated by reference to such Inflation Index, with a maturity date which falls on (a) the End Date specified in the applicable Final Terms, (b) the next longest maturity after the End Date if there is no such bond maturing on the End Date, or (c) the next shortest maturity before the End Date if no bond defined in limb (a) or (b) above is selected by the Calculation Agent. If the relevant Inflation Index relates to the level of inflation across the European Monetary Union, the Calculation Agent will select an inflation-linked bond that is a debt obligation of one of the governments (but not any government agency) of France, Italy, Germany or Spain and which pays a coupon or redemption amount which is calculated by reference to the level of inflation in the European Monetary Union. In each case, the Calculation Agent will select the Fallback Bond from those inflation-linked bonds issued on or before the Issue Date and, if there is more than one inflation-linked bond maturing on the same date, the Fallback Bond shall be selected by the Calculation Agent from those bonds. If the Fallback Bond redeems, the Calculation Agent will select a new Fallback Bond on the same basis, but notwithstanding the immediately prior sentence, selected from all eligible bonds in issue at the time the original Fallback Bond redeems (including any bond for which the redeemed bond is exchanged).

"**Hedging Disruption**" means that any Hedging Party is unable, after using commercially reasonable efforts, to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the relevant price risk of the Issuer) issuing and performing its obligations with respect to the Notes, or (b) freely realise, recover, remit, receive, repatriate or transfer the proceeds of any such transaction(s) or asset(s), as determined by the Calculation Agent.

"**Hedging Party**" means at any relevant time, the Issuer, or any of its affiliates or any other party providing the Issuer directly or indirectly with hedging arrangements in relation to the Notes as the Issuer may select at such time.

"**Increased Cost of Hedging**" means that any Hedging Party would incur a materially increased (as compared with circumstances existing on the Trade Date) amount of tax, duty, expense or fee (other than brokerage commissions) to (a) acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transaction(s) or asset(s) it deems necessary to hedge the market risk (including, without limitation, price risk, foreign exchange risk and interest rate risk) of the Issuer issuing and performing its obligations with respect to the Notes, or (b) realise, recover or remit the proceeds of any such transaction(s) or asset(s), *provided that* any such materially increased amount that is incurred solely due to the deterioration of the creditworthiness of the Issuer and/or any of its affiliates shall not be deemed an Increased Cost of Hedging.

"**Inflation Index**" means each inflation index specified in the applicable Final Terms and related expressions shall be construed accordingly.

"**Inflation Index Sponsor**" means, in relation to an Inflation Index, the entity that publishes or announces (directly or through an agent) the level of such Inflation Index which, as of the Issue Date, is the Inflation Index Sponsor specified in the applicable Final Terms.

"**Reference Month**" means the calendar month for which the level of the Inflation Index is reported as specified in the applicable Final Terms, regardless of when this information is published or announced, except that if the period for which the Relevant Level was reported is a period other than a month, the Reference Month shall be the period for which the Relevant Level is reported.

"**Related Bond**" means, in respect of an Inflation Index, the bond specified as such in the applicable Final Terms. If the Related Bond specified in the applicable Final Terms is "Fallback Bond", then, for any Related Bond determination, the Calculation Agent shall use the Fallback Bond. If no bond is specified in the applicable Final Terms as the Related Bond and "Fallback Bond: Not Applicable" is specified in the applicable Final Terms, there will be no Related Bond. If a bond is specified as the Related Bond in the applicable Final Terms and that bond redeems or matures before the End Date (i) unless "Fallback Bond: Not Applicable" is specified in the applicable Final Terms, the Calculation Agent shall use the Fallback Bond for any Related Bond determination and (ii) if "Fallback Bond: Not Applicable" is specified in the applicable Final Terms, there will be no Related Bond.

"**Relevant Level**" has the meaning set out in the definition of "Delayed Index Level Event" above.

(iv) *Inflation Index Delay and Disruption Provisions*

(A) *Delay in Publication*

If the Calculation Agent determines that a Delayed Index Level Event in respect of an Inflation Index has occurred with respect to any Determination Date, then the Relevant Level for such Inflation Index with respect to the relevant Reference Month subject to such Delayed Index Level Event (the "**Substitute Index Level**") shall be determined by the Calculation Agent as follows:

(1) if "Related Bond" is specified as applicable for such Inflation Index in the relevant Final Terms, the Calculation Agent shall determine the Substitute Index Level by reference to the corresponding index level determined under the terms and conditions of the relevant Related Bond;

(2) if (I) "Related Bond" is not specified as applicable for such Inflation Index in the relevant Final Terms, or (II) the Calculation Agent is not able to determine a Substitute Index Level under Condition 7(a)(i) (*Rate of Interest – Inflation-Linked Notes*) above, the Calculation Agent shall determine the Substitute Index Level by reference to the following formula:

Substitute Index Level = Base Level x (Latest Level/Reference Level);

or

(3) otherwise in accordance with any formula specified in the relevant Final Terms,

in each case as of such Determination Date,

where:

"**Base Level**" means, in respect of an Inflation Index, the level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index Sponsor in respect of the month which is 12 calendar months prior to the month for which the Substitute Index Level is being determined.

"**Latest Level**" means, in respect of an Inflation Index, the latest level of such Inflation Index (excluding any "flash" estimates) published or announced by the

relevant Inflation Index Sponsor prior to the month in respect of which the Substitute Index Level is being determined.

"**Reference Level**" means, in respect of an Inflation Index, the level of such Inflation Index (excluding any "flash" estimates) published or announced by the relevant Inflation Index Sponsor in respect of the month that is 12 calendar months prior to the month in respect of the Latest Level.

The Issuers shall give notice to Noteholders, in accordance with Condition 17 (*Notices*) of any Substitute Index Level calculated pursuant to Condition 7(a)(ii) (*Redemption Amount – [YoY] Inflation-Linked Notes*) above, the Calculation Agent shall determine the Substitute Index Lev.

If the Relevant Level (as defined above) is published or announced at any time on or after the relevant Cut-off Date, such Relevant Level will not be used in any calculations. The Substitute Index Level so determined pursuant to this Condition 7 will be the definitive level for that Reference Month.

(B) *Cessation of Publication*

If the Calculation Agent determines that the level for the Inflation Index has not been published or announced for two (2) consecutive months, the Inflation Index Sponsor announces that it will no longer continue to publish or announce the Inflation Index or the Inflation Index Sponsor otherwise cancels the Inflation Index, then the Calculation Agent shall determine a successor inflation index (the "**Successor Inflation Index**") (in lieu of any previously applicable Inflation Index) for the purposes of the Inflation-Linked Notes by using the following methodology:

(1) if at any time (other than after an early redemption or cancellation event has been designated by the Calculation Agent pursuant to Condition 7(a)(iv)(A)(1) (*Delay in Publication*) above), a successor inflation index has been designated by the calculation agent (or equivalent) pursuant to the terms and conditions of the Related Bond, such successor inflation index shall be designated a "Successor Inflation Index" notwithstanding that any other Successor Inflation Index may previously have been determined under Conditions 7(a)(iv)(B)(2), 7(a)(iv)(B)(3) or 7(a)(iv)(B)(4) below;

(2) if a Successor Inflation Index has not been determined pursuant to Condition 7(a)(iv)(B)(1) above, and a notice has been given or an announcement has been made by the Inflation Index Sponsor, specifying that the Inflation Index will be superseded by a replacement Inflation Index specified by the Inflation Index Sponsor, and the Calculation Agent determines that such replacement index is calculated using the same or substantially similar formula or method of calculation as used in the calculation of the previously applicable Inflation Index, such replacement index shall be the Inflation Index for purposes of the Inflation-Linked Notes from the date that such replacement Inflation Index comes into effect;

(3) if a Successor Inflation Index has not been determined pursuant to Condition 7(a)(iv)(B)(1) or 7(a)(iv)(B)(2) above, the Calculation Agent shall ask five leading independent dealers to state what the replacement index for the Inflation Index should be. If four or five responses are received and, of those four or five responses, three or more leading independent dealers state the same index, this index will be deemed the "**Successor Inflation Index**". If three responses are received and two or more leading independent dealers state the same index, this index will be deemed the "Successor Inflation Index". If fewer than three responses are received or no Successor Inflation Index is determined pursuant to this Condition 7(a)(iv)(B)(3), the Calculation Agent will proceed to Condition 7(a)(iv)(B)(4) below;

(4) if no replacement index or Successor Inflation Index has been determined under Conditions 7(a)(iv)(B)(1), 7(a)(iv)(B)(2) and 7(a)(iv)(B)(3) above by the next occurring Cut-Off Date, the Calculation Agent, subject as provided below, will determine an appropriate alternative index from such Cut-Off Date, and such index will be deemed a "Successor Inflation Index"; or

(5) if the Calculation Agent determines that there is no appropriate alternative index in relation to Inflation-Linked Notes, on giving notice to Noteholders in accordance with Condition 17 (*Notices*), the Issuer shall redeem or cancel, as applicable all but not some only of the Inflation-Linked Notes, each Inflation-Linked Note being redeemed or cancelled, as applicable by payment of the relevant Early Redemption Amount. Payments will be made in such manner as shall be notified to the Noteholders in accordance with Condition 17 (*Notices*).

(C) *Rebasing of the Inflation Index*

If the Calculation Agent determines that the Inflation Index has been or will be rebased at any time, the Inflation Index as so rebased (the "**Rebased Index**") will be used for purposes of determining the level of the Inflation Index from the date of such rebasing; *provided, however, that* the Calculation Agent shall make adjustments as are made by the calculation agent (or equivalent) pursuant to the terms and conditions of the Related Bond, if "Related Bond" is specified as applicable in the applicable Final Terms, to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Inflation Index before it was rebased, or, if "Related Bond" is not specified as applicable in the applicable Final Terms, the Calculation Agent shall make adjustments to the levels of the Rebased Index so that the Rebased Index levels reflect the same rate of inflation as the Inflation Index before it was rebased.

(D) *Material Modification Prior to Last Occurring Cut-Off*

If, on or prior to the last occurring Cut-Off Date, the Inflation Index Sponsor announces that it will make a material change to the Inflation Index then the Calculation Agent shall make any such adjustments, if "Related Bond" is specified as applicable in the applicable Final Terms, consistent with adjustments made to the Related Bond, or, if "Related Bond" is not specified as applicable in the applicable Final Terms, only those adjustments to the Inflation Index necessary for the modified Inflation Index to continue as the Inflation Index.

(E) *Manifest Error in Publication*

With the exception of any corrections published after the day which is three (3) Business Days prior to the relevant Maturity Date, if, within thirty (30) calendar days of publication, the Calculation Agent determines that the Inflation Index Sponsor has corrected the level of the Inflation Index to remedy a manifest error in its original publication, the Calculation Agent may, in its discretion, make such adjustments to the terms of the Inflation-Linked Notes as it determines appropriate to account for the correction and will notify the Noteholders of any such adjustments in accordance with Condition 17 (*Notices*).

(F) *Consequences of an Additional Disruption Event*

If the Calculation Agent determines that an Additional Disruption Event has occurred, the Issuer may at its option:

(1) require the Calculation Agent to determine in its sole and absolute discretion the appropriate adjustment, if any, to be made to any terms of the Conditions and/or the applicable Final Terms to account for the Additional Disruption Event and determine the effective date of that adjustment; or

(2) redeem or cancel, as applicable, all but not some of the Inflation-Linked Notes on the date notified by the Calculation Agent to Noteholders in accordance with Condition 17 (*Notices*) by payment of the relevant Early Redemption Amount, as at the date of redemption or cancellation, as applicable, taking into account the relevant Additional Disruption Event. The redemption or cancellation referred to in this Condition 7(a)(iv) (*Inflation Index Delay and Disruption Provisions*) shall be subject to (i) in the case of Senior Preferred Notes and Senior Non-Preferred Notes, Condition 9(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*) and (ii) in case of Subordinated Notes, Condition 9(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

(G) *Inflation Index Disclaimer*

The Notes are not sponsored, endorsed, sold or promoted by the Inflation Index or the Inflation Index Sponsor and the Inflation Index Sponsor does not make any representation whatsoever, whether express or implied, either as to the results to be obtained from the use of the Inflation Index and/or the levels at which the Inflation Index stands at any particular time on any particular date or otherwise. Neither the Inflation Index nor the Inflation Index Sponsor shall be liable (whether in negligence or otherwise) to any person for any error in the Inflation Index and the Inflation Index Sponsor is under no obligation to advise any person of any error therein. The Inflation Index Sponsor is not making any representation whatsoever, whether express or implied, as to the advisability of purchasing or assuming any risk in connection with the Notes. The Issuer shall have no liability to the Noteholders for any act or failure to act by the Inflation Index Sponsor in connection with the calculation, adjustment or maintenance of the Inflation Index. Except as disclosed prior to the Issue Date specified in the applicable Final Terms, neither the Issuer nor their affiliates have any affiliation with or control over the Inflation Index or the Inflation Index Sponsor or any control over the computation, composition or dissemination of the Inflation Index. Although the Calculation Agent will obtain information concerning the Inflation Index from publicly available sources it believes reliable, it will not independently verify this information. Accordingly, no representation, warranty or undertaking (express or implied) is made and no responsibility is accepted by the Issuer, its affiliates or the Calculation Agent as to the accuracy, completeness and timeliness of information concerning the Inflation Index.

8. **Zero Coupon Note Provisions**

(a) *Application*: This Condition 8 is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.

(b) *Late payment on Zero Coupon Notes*: If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Paying Agent has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

9. **Redemption and Purchase**

(a) *Scheduled redemption:* Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 10 *(Payments).*

Unless previously redeemed, or purchased, or cancelled, the Subordinated Notes will be redeemed in whole at their Final Redemption Amount on the Maturity Date, in the manner provided for in Condition 10 (*Payments*). The Subordinated Notes are not redeemable at the option of the Noteholders and the Issuer shall have the right to call, redeem, repay or repurchase the Subordinated Notes only in accordance with and subject to the conditions set out in Articles 77 and 78 of the CRR being met and not prior to five (5) years from their Issue Date, except where the conditions set out in Article 78 of the CRR are met (see Condition 9(b) (*Redemption for tax reasons*), Condition 9(c) (*Redemption at the option of the Issuer*), Condition 9(f) (*Redemption of Subordinated Notes for regulatory reasons (Regulatory Call)*), Condition 9(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*), Condition 9(k) (*Purchase*), Condition 9(o) (*Regulatory conditions for call, redemption, repayment or repurchase of Subordinated Notes) and Condition* 9(n) *(Regulatory conditions for call, redemption, repayment or repurchase of Senior Preferred Notes and Senior Non-Preferred Notes*)).

(b) *Redemption for tax reasons*: The Notes may be redeemed at the option of the Issuers in whole, but not in part:

(i) at any time (if neither the Floating Rate Note Provisions or the Inflation-Linked Note Provisions are specified in the relevant Final Terms as being applicable); or

(ii) on any Interest Payment Date (if the Floating Rate Note Provisions or the Inflation-Linked Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 30 nor more than 60 days' notice to the Noteholders (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if (1) the Issuers have or will become obliged to pay additional amounts as provided or referred to in Condition 11 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or Australia, or any political subdivision or any authority or agency thereof or therein, or any change in the application or interpretation or administration of such laws or regulations, which change or amendment (such change or amendment being material and not reasonably foreseeable at the Issue Date in the case of Subordinated Notes) becomes effective on or after the date of issue of the first Tranche of the Notes; and (2) such obligation cannot be avoided by the Issuers taking reasonable measures available to it (any such event, a "**Tax Event**").

At least 15 days prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall make available at its specified office to the Noteholders a certificate signed by two duly authorised officers of the Issuer stating that the Issuers are entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred (and such evidence shall be conclusive and binding on the Noteholders). Upon the expiry of any such notice as is referred to in this Condition 9(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 9(b).

In the case of Subordinated Notes, the redemption referred to in this Condition 9(b) shall be subject to Condition 9(n) (*Regulatory conditions for call, redemption, repayment or repurchase of Subordinated Notes*).

In the case of Senior Preferred Notes and Senior Non-Preferred Notes, the redemption referred to in this Condition 9(b) shall be subject to Condition 9(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(c) *Redemption at the option of the Issuer:* If the Call Option is specified in the relevant Final Terms as being applicable, the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) at the relevant Optional Redemption Amount (Call) on the Issuer giving not less than 15 nor more than 30 days' notice to

Monte Titoli and the Noteholders (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) at the Optional Redemption Amount (Call) plus accrued interest (if any) to such date).

In the case of Subordinated Notes, no Call Option in accordance with this Condition 9(c) may be exercised by the Issuer to redeem, in whole or in part, such Notes prior to the fifth anniversary of their Issue Date. After the fifth anniversary of such Issue Date, the redemption referred to in this Condition 9(c) shall be subject to Condition 9(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

In the case of Senior Preferred Notes and Senior Non-Preferred Notes, the redemption referred to in this Condition 9(c) shall be subject to Condition 9(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(d) *Partial redemption*:

If Notes are to be redeemed in part only on any date in accordance with Condition 9(c) (*Redemption at the option of the Issuer*), the Notes to be redeemed shall be selected in accordance with the rules of Monte Titoli (to be reflected in the records of Monte Titoli as a pro rata reduction in principal amount), subject to compliance with applicable law and the rules of each stock exchange on which the Notes are then listed. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

(e) *Redemption at the option of Noteholders*:

This provision is not applicable to Senior Non-Preferred Notes and Subordinated Notes.

If the Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the Holder of any Note, redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. The applicable Final Terms contains provisions applicable to any Put Option and must be read in conjunction with this Condition 9(e) for full information on any Put Option. In particular, the applicable Final Terms will identify the Optional Redemption Date (Put), the Optional Redemption Amount (Put) and the applicable notice periods.

If the Put Option is specified as being applicable in the applicable Final Terms, the Holder of any Note must deliver to any Paying Agent a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent to which a Note is so delivered shall deliver a duly completed Put Option Receipt to the relevant Noteholder. Upon delivery of a Put Option Notice and up to including the Optional Redemption Date (Put), no transfer of title to the Note(s) for which the Put Option Notice has been delivered will be allowed. At least 5 Business Days prior to the Optional Redemption Date (Put), the Issuer and the Paying Agent shall notify Monte Titoli of the amount of Notes to be redeemed on the Optional Redemption Date(s) (Put) and the aggregate Optional Redemption Amount (Put).

(f) *Redemption of Subordinated Notes for regulatory reasons (Regulatory Call)*: If Regulatory Call is specified in the applicable Final Terms and if the Issuer notify the Noteholders of the occurrence of a Regulatory Event, the Issuer may redeem such Subordinated Notes, in whole but not in part, at the Early Redemption Amount specified in the applicable Final Terms, together with any accrued but unpaid interest to the date fixed for redemption, *provided that* (to the extent required by applicable law or regulation) the Issuer has given not less than the minimum period nor more than the maximum period of notice to Monte Titoli and the Noteholders of such Subordinated Notes (such notice being irrevocable) specifying the date fixed for such redemption.

Upon the expiry of such notice period, the Issuer shall be bound to redeem the Subordinated Notes accordingly.

The redemption referred to in this Condition 9(f) shall be subject to Condition 9(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*).

(g) *Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event:* If redemption at the option of the Issuer due to an MREL Disqualification Event is specified as being applicable in the applicable Final Terms, the Issuer may, having given not less than the minimum period nor more than the maximum period of notice specified in the applicable Final Terms to Monte Titoli and the Noteholders in accordance with Condition 17 (*Notices*) (which notice shall specify the date fixed for redemption) and the Agents, redeem the Senior Preferred Notes or the Senior Non-Preferred Notes, in whole but not in part, then outstanding at any time (if the Senior Preferred Note or the Senior Non-Preferred Note is not a Floating Rate Note or an Inflation-Linked Note) or on any Interest Payment Date (if this Senior Preferred Note or the Senior Non-Preferred Note is a Floating Rate Note or an Inflation-Linked Note) at the Early Redemption Amount specified in the applicable Final Terms, together with any accrued but unpaid interest to the date fixed for redemption, if the Issuer determines that an MREL Disqualification Event has occurred and is continuing. Upon the expiry of any such notice as is referred to in this Condition 9(g), the Issuer shall redeem the Notes in accordance with this Condition 9(g).

The redemption referred to in this Condition 9(g) shall be subject to Condition 9(o) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(h) *Clean-up redemption at the option of the Issuer:* If a clean-up redemption option (the "**Clean-Up Redemption Option**") is specified as applicable in the Final Terms, and if 75 per cent. or any higher percentage specified in the relevant Final Terms (the "**Clean-Up Percentage**") of the initial aggregate principal amount of the Notes of the same Series (which for the avoidance of doubt includes, any additional Notes issued subsequently and forming a single series with the first Tranche of a particular Series of Notes) have been redeemed or purchased by, or on behalf of, the Issuer and cancelled, the Issuer may, at their option, and having given to the Noteholders not less than 5 nor more than 30 calendar days' notice (the "**Clean-Up Redemption Notice**"), in accordance with Condition 17 (*Notices*) (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem such outstanding Notes, in whole but not in part, at their clean-up redemption amount ("**Clean-Up Redemption Amount**") together, if appropriate, with accrued interest to (but excluding) the date of redemption, on the date fixed for redemption identified in the Clean-Up Redemption Notice.

In the case of Subordinated Notes, the redemption referred to in this Condition 9(h) shall be subject to Condition 9(n) (*Regulatory conditions for call, redemption, repayment or repurchase of Subordinated Notes*).

In the case of Senior Notes and Senior Non-Preferred Notes, the redemption referred to in this Condition 9(h) shall be subject to Condition 9(o) (*Regulatory conditions for call, redemption, repayment or repurchase of Senior Notes and Senior Non-Preferred Notes*).

(i) *No other redemption*: The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 9(a) (*Scheduled redemption*) to 9(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*) above.

(j) *Early redemption of Zero Coupon Notes*: Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:

(i) the Reference Price; and

(ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the Final Terms for the purposes of this Condition 9(j) or, if none is so specified, a Day Count Fraction of Actual/Actual (or 30/360 if such request is made to and accepted by the respective Issuer).

(k) *Purchase*: The Issuer may, including for market making purposes, purchase Notes in the open market or otherwise and at any price. Such Notes may be held, resold or, at the option of the purchaser, surrendered to any Paying Agent for cancellation. The repurchases referred to in this Condition 9(k) shall be subject to Condition 9(n) (*Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes)* and Condition 9(o) *(Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*).

(l) *Cancellation*: All Notes so redeemed by the Issuers shall be cancelled and may not be reissued or resold.

(m) *Redemption Amount*: For the avoidance of doubt, in no event will the Redemption Amount of any Notes issued by Intesa Sanpaolo be lower than the principal amount of the Notes.

(n) *Regulatory conditions for call, redemption, repayment, repurchase or modification of Subordinated Notes*: In the case of Subordinated Notes, any call, redemption, repayment or repurchase of such Notes in accordance with Condition 7(a)(iv) (*Inflation Index Delay And Disruption Provisions*), Condition 9(b) (*Redemption for tax reasons*), Condition 9(c) (*Redemption at the option of the Issuer*), Condition 9(f) (*Redemption of Subordinated Notes for regulatory reasons (Regulatory Call)*), Condition 9(h) (*Clean-up redemption at the option of the Issuer*), Condition 9(k) (*Purchase*) or Condition 15 (*Meetings of Noteholders; Modification and Waiver; Substitution*) (including, for the avoidance of doubt, any modification in accordance with Condition 15 (*Meetings of Noteholders; Modification and Waiver; Substitution)*) is subject to conditions compliance with the then applicable Banking Regulations, including, as relevant:

(i) the Issuer having obtained the prior permission of the Relevant Authority in accordance with Articles 77 and 78 of the CRR, as amended or replaced from time to time, where either:

(A) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Subordinated Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(B) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds would, following such call, redemption, repayment or repurchase, exceed the capital requirements laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; and

(ii) in respect of a call, redemption repayment or repurchase prior to the fifth anniversary of the Issue Date of the relevant Subordinated Notes, if and to the extent required under Article 78(4) of the CRR or the Capital Instruments Regulation:

(A) in the case of redemption pursuant to Condition 9(b) (*Redemption for tax reasons*), the Issuer having demonstrated to the satisfaction of the Relevant Authority that the change in the applicable tax treatment of the Notes is material and was not reasonably foreseeable as at the Issue Date; or

(B) in case of redemption pursuant to Condition 9(f) (*Redemption of Subordinated Notes for regulatory reasons (Regulatory Call)*), a Regulatory Event has occurred; or

(C) on or before the relevant call, redemption, repayment or repurchase, the Issuer replaces the Notes with Own Funds instruments of equal or higher quality at terms that are sustainable for income capacity of the Issuer and the Relevant Authority has permitted that action on the basis of the determination that it would be beneficial from a prudential point of view and justified by exceptional circumstances; or

(D) the Subordinated Notes are repurchased for market making purposes,

subject in any event to any alternative or additional conditions or requirements as may be applicable from time to time under the Applicable Banking Regulations.

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) the Subordinated Notes, in the limit of a predetermined amount, which shall not exceed the lower of (i) 10 per cent. (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the aggregate nominal amount of the relevant Subordinated Notes and (ii) 3 per cent. (or any other threshold as may be requested or required by the Relevant Authority from time to time) of the outstanding aggregate nominal amount of the Tier 2 Instruments of the Issuer at the relevant time, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out at letters (A) and (B) of sub-paragraph (i) of the preceding paragraph.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78 of the CRR shall not constitute a default of the Issuer for any purposes.

(o) *Regulatory conditions for call, redemption, repayment, repurchase or modification of Senior Preferred Notes and Senior Non-Preferred Notes*: Any call, redemption, repayment or repurchase in accordance with Condition 7(a)(iv) (*Inflation Index Delay and Disruption Provisions*), Condition 9(b) (*Redemption for tax reasons*), Condition 9(c) (*Redemption at the option of the Issuer*), Condition 9(k) (*Purchase*), Condition 9(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*), Condition 9(h) (*Clean-up redemption at the option of the Issuer*) or Condition 15 (*Meetings of Noteholders; Modification and Waiver; Substitution*) (including, for the avoidance of doubt, any modification in accordance with Condition 15 (*Meetings of Noteholders; Modification and Waiver; Substitution*)) of Senior Preferred Notes or Senior Non-Preferred Notes is subject, to the extent such Senior Preferred Notes or Senior Non-Preferred Notes qualify at such time as liabilities that are eligible to meet the MREL Requirements (Eligible Liabilities Instruments) or, in case of a redemption pursuant to Condition 9(g) (*Redemption at the option of the Issuer of Senior Preferred Notes and Senior Non-Preferred Notes due to an MREL Disqualification Event*), qualified as liabilities that are eligible to meet the MREL Requirements before the occurrence of the MREL Disqualification Event, to compliance with the then applicable Banking Regulations, including, as relevant, the condition that the Issuer has obtained the prior permission of the Relevant Authority in accordance with Article 78a of the CRR, where one of the following conditions is met:

(i) on or before such call, redemption, repayment or repurchase (as applicable), the Issuer replaces the Relevant Notes with Own Funds instruments or Eligible Liabilities Instruments of equal or higher quality at terms that are sustainable for its income capacity; or

(ii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that its Own Funds and Eligible Liabilities would, following such call, redemption, repayment or repurchase, exceed the requirements for Own Funds and Eligible Liabilities laid down in the Applicable Banking Regulations by a margin that the Relevant Authority considers necessary; or

(iii) the Issuer has demonstrated to the satisfaction of the Relevant Authority that the partial or full replacement of the relevant Notes with Own Funds Instruments is necessary to ensure compliance with the Own Funds requirements laid down in the Applicable Banking Regulations for continuing authorisation,

subject in any event to any different conditions or requirements as may be applicable from time to time under the Applicable Banking Regulations.

The Relevant Authority may grant a general prior permission, for a specified period which shall not exceed one year, to redeem or purchase (including for market making purposes) Senior Preferred Notes or Senior Non-Preferred Notes, in the limit of a predetermined amount, subject to criteria that ensure that any such redemption or purchase will be in accordance with the conditions set out in sub-paragraphs (i) and (ii) of the preceding paragraph.

For the avoidance of doubt, any refusal of the Relevant Authority to grant its permission in accordance with Article 78a of the CRR shall not constitute a default of the Issuer for any purposes.

10. **Payments**

(a) *Principal*: Payment of principal and interest in respect of the Notes will be credited, according to the instructions of Monte Titoli, by the Paying Agent to the accounts of the Monte Titoli Account Holders whose accounts with Monte Titoli are credited with those Notes and thereafter credited by such Monte Titoli Account Holders to the accounts of the beneficial owners of those Notes or through Euroclear and Clearstream Banking to the accounts with Euroclear and Clearstream Banking of the beneficial owners of those Notes, in accordance with the rules and procedures of Monte Titoli, Euroclear or Clearstream Banking, as the case may be.

(b) *Payments subject to fiscal laws*: All payments in respect of the Notes are subject in all cases to (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 11 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the Code) or otherwise imposed pursuant to Section 1471 through 1474 of the Code, any regulation or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto. No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(c) *Payments on business days*: If the due date for payment of any amount in respect of any Note is not a Payment Business Day, the holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day and shall not be entitled to any further interest or other payment in respect of any such delay.

The following Condition 10(d) (*Inconvertibility, Non-transferability or Illiquidity*) shall apply to all Renminbi Notes in addition to the provisions governing payments under Notes above:

(d) *Inconvertibility, Non-transferability or Illiquidity:* Notwithstanding the foregoing, if by reason of Inconvertibility, Non-transferability or Illiquidity, the Issuers are not able, or it would be impracticable for any of them, to satisfy payments of principal or interest (in whole or in part) in respect of Renminbi Notes when due in Renminbi in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of that currency, each Issuer on giving not less than five nor more than 30 days' irrevocable notice to the Paying Agent and Noteholders in accordance with Condition 17 (*Notices*) prior to the due date for payment, shall be entitled to satisfy their respective obligations in respect of such payment by making such payment in U.S. dollars on the due date at the U.S. Dollar Equivalent of any such Renminbi-denominated amount.

In such event, payment of the U.S. Dollar Equivalent of the relevant principal or interest amount in respect of the Renminbi Notes will be made by a U.S. dollar denominated cheque drawn on a bank in New York City and mailed to the Holder (or to the first named of joint holders) of the Renminbi Notes at its address, or, upon application by the Holder of the Renminbi Notes to the specified office of the Agent, by transfer to a U.S. dollar denominated account maintained by the payee with, a bank in New York City.

For the purposes of this Condition 10(d):

"**Determination Business Day**" means a day (other than a Saturday or Sunday) on which commercial banks are open for general business (including dealings in foreign exchange) in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi, London and New York City;

"**Determination Date**" means the day which is two Determination Business Days before the due date for any payment of the relevant amount under these Conditions;

"**Governmental Authority**" means any de facto or de jure government (or any agency or instrumentality thereof), court, tribunal, administrative or other governmental authority or any other entity (private or public) charged with the regulation of the financial markets (including the central bank) of the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi;

"**Illiquidity**" means the general Renminbi exchange market in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi becomes illiquid as a result of which the Issuer cannot obtain sufficient Renminbi in order to satisfy its obligation to pay interest and principal (in whole or in part) in respect of the Renminbi Notes as determined by the Issuer in good faith and in a commercially reasonable manner following consultation with two Renminbi Dealers;

"**Inconvertibility**" means the occurrence of any event that makes it impossible for the relevant Issuer to convert any amount due in respect of the Renminbi Notes in the general Renminbi exchange market in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi, other than where such impossibility is due solely to the failure of the Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation becomes effective on or after the Issue Date of the Renminbi Notes and it is impossible for the Issuer due to an event beyond its control, to comply with such law, rule or regulation);

"**Non-transferability**" means the occurrence of any event that makes it impossible for the Issuer to transfer Renminbi between accounts inside the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi, from an account outside the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi to an account inside the Principal Financial Centre or such relevant Additional Financial Centre of Renminbi or from an account inside the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi to an account outside the Principal Financial Centre or such relevant Additional Financial Centre of Renminbi, other than where such impossibility is due solely to the failure of the relevant Issuer to comply with any law, rule or regulation enacted by any Governmental Authority (unless such law, rule or regulation becomes effective on or after the Issue Date of the Renminbi Notes and it is impossible for the Issuer due to an event beyond its control, to comply with such law, rule or regulation);

"**Renminbi Dealer**" means an independent foreign exchange dealer of international repute active in the Renminbi exchange market in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi;

"**Spot Rate**" means the spot U.S. dollar/Renminbi exchange rate for the purchase of U.S. dollars with Renminbi in the over-the-counter Renminbi exchange market in the Principal Financial Centre or the relevant Additional Financial Centre (as applicable) of Renminbi, as determined by the Renminbi Calculation Agent in good faith and in a commercially reasonable manner at or around 11.00 a.m. (time in the Principal Financial Centre of Renminbi) on the Determination Date, on a deliverable basis by reference to Reuters Screen Page TRADCNY3, or if no such rate is available, on a non-deliverable basis by reference to Reuters Screen Page TRADNDF. If neither rate is available, the Renminbi Calculation Agent in good faith and in a commercially reasonable manner will determine the Spot Rate at or around 11:00 a.m. (time in the Principal Financial Centre or such relevant Additional Financial Centre of Renminbi) on the Determination Date as the most recently available U.S. dollar/Renminbi official fixing rate for settlement in two Determination Business Days reported by The State Administration of Foreign Exchange of the PRC, which is reported on Reuters Screen Page CNY=SAEC. Reference to a page on the Reuters Screen means the display page so designated on the Reuters Monitor Money Rates Service (or any successor service) or such other page as may replace that page for the purpose of displaying a comparable currency exchange rate; and

"**U.S. Dollar Equivalent**" means the Renminbi amount converted into U.S. dollars using the Spot Rate for the relevant Determination Date promptly notified to the Issuer and the Paying Agents.

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 10(d) by the Renminbi Calculation Agent, will (in the absence of wilful default, fraud or gross negligence) be binding on the Issuer, the Paying Agents and all Holders of the Renminbi Notes.

(e) *Payments in Renminbi*: Notwithstanding the foregoing, any payments in respect of the Notes to be made in Renminbi will be made in accordance with all applicable laws, rules, regulations and guidelines issued from time to time (including all applicable laws and regulations with respect to the settlement of Renminbi in the Principal Financial Centre or the relevant Additional Financial Centre

(as applicable) of Renminbi) by credit or transfer to an account denominated in that currency and maintained by the payee with a bank in the Principal Financial Centre or such relevant Additional Financial Centre of Renminbi.

11. **Taxation**

(a) *Gross up*: All payments of principal (if applicable) and interest in respect of the Notes (if any) by or on behalf of the Issuer shall be made free and clear of, and without withholding or deduction for, or on account of, any present or future taxes, present or future, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Italy or Australia or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. In that event, the Issuer shall pay such additional amounts as shall be necessary in order that the net amounts received by the Noteholders (if relevant) after such withholding or deduction shall be equal to the amounts of principal, in case of Senior Preferred Notes not qualifying at such time as liabilities that are eligible to meet the MREL Requirements only (if permitted by the Applicable Banking Regulations), and interest, in case of any Notes, and which would otherwise have been receivable by them if no such withholding or deduction had been required, except that no such additional amounts shall be payable in respect of any payment of any interest or principal either:

(i) for or on account of *Imposta Sostitutiva* (at the then applicable rate of tax) pursuant to Italian Legislative Decree No. 239 of 1 April 1996 (as amended), the "**Legislative Decree No. 239**" or, for the avoidance of doubt, Italian Legislative Decree No. 461 of 21 November 1997 (as amended or supplemented) or any related implementing regulations and in all circumstances in which the procedures set forth in Legislative Decree No. 239 in order to benefit from a tax exemption have not been met or complied with except where such procedures have not been met or complied with due to the actions or omissions of Intesa Sanpaolo or its agents; or

(ii) with respect to any Notes presented for payment:

(A) in the Republic of Italy (in respect of Notes issued by Intesa Sanpaolo) or (in respect of Notes issued by the Sydney Branch) Australia; or

(B) by or on behalf of a holder who is liable for such taxes or duties in respect of such Note by reason of his having some connection with the Republic of Italy (in respect of Notes issued by Intesa Sanpaolo) or (in respect of Notes issued by the Sydney Branch) Australia other than the mere holding of such Note; or

(C) by or on behalf of a holder who is entitled to avoid such withholding or deduction in respect of such Note by making, or procuring, a declaration of non-residence or other similar claim for exemption but has failed to do so; or

(D) more than 30 days after the Relevant Date except to the extent that the relevant holder would have been entitled to an additional amount on presenting such Note for payment on such thirtieth day assuming that day to have been a Business Day; or

(E) in the event of payment to a non-Italian resident legal entity or a non-Italian resident individual, to the extent that interest or other amounts is paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information with the Republic of Italy; or

(F) in respect of Notes classified as atypical securities where such withholding or deduction is required under Law Decree No. 512 of 30 September 1983, as amended and supplemented from time to time;

(iii) with respect to any Notes, in a case where the Issuer receives a notice or direction under section 260-5 of Schedule 1 to the Taxation Administration Act 1953 (Cth) of Australia, section 255 of the Income Tax Assessment Act 1936 (Cth) of Australia or any analogous

provisions, any amounts paid or deducted from sums payable to the Noteholders by the Issuer in compliance with such notice or direction; or

(iv) with respect to any Notes, in circumstances where such withholding or deduction would have been lawfully avoided if the holder or beneficial owner or any person acting on their behalf had provided to the Issuer an appropriate tax file number, Australian business number, or details of an exemption from providing those numbers; or

(v) to, or to a third party on behalf of, a holder who is an associate (as that term is defined in section 128F of the Income Tax Assessment Act 1936 (Cth) of Australia) of the Issuer.

Notwithstanding any other provision in these Conditions, the Issuer shall be permitted to withhold or deduct any amounts required by the rules of Sections 1471 through 1474 of the Code, any regulation or agreements thereunder, official interpretations thereof, or any law implementing an intergovernmental approach thereto ("**FATCA Withholding**") as a result of a holder, beneficial owner or an intermediary that is not an agent of the Issuer not being entitled to receive payments free of FATCA Withholding. The Issuer will have no obligation to pay additional amounts or otherwise indemnify an investor for any such FATCA Withholding deducted or withheld by the Issuer, the paying agent or any other party.

(b) *Taxing jurisdiction*: If payments made by each Issuer become subject to withholding tax as a result of each Issuer becoming resident, whether for tax purposes or otherwise, in any taxing jurisdiction other than the Republic of Italy or Australia, references in these Conditions to the Republic of Italy or Australia shall be construed as references to such other jurisdiction instead of the Republic of Italy or Australia.

12. **Events of Default**

(a) In the event of compulsory winding-up (*liquidazione coatta amministrativa*) of the relevant Issuer pursuant to Articles 80 and following of the Consolidated Banking Act or voluntary winding-up (*liquidazione volontaria*) in accordance with Article 96-*quinquies* of the Consolidated Banking Act, then any Note may, by written notice addressed by the holder thereof to the relevant Issuer and delivered to the relevant Issuer or to the Specified Office of the Paying Agent, be declared immediately due and payable, whereupon it shall become immediately due and payable at its outstanding principal amount together with accrued interest (if any) without further action or formality.

(b) No remedy (including any remedy under the Italian Civil Code) against the relevant Issuer other than as specifically provided by this Condition 12 (*Events of Default*) shall be available to the Paying Agent or to the holders of the Notes, whether for the recovery of amounts owing in respect of the Notes or in respect of any breach by the relevant Issuer of any of its obligations under the Notes or otherwise.

(c) For the avoidance of doubt, the non-payment by the relevant Issuer of any amount due and payable under these Notes, or the taking of any crisis prevention measure or crisis management measure in relation to the relevant Issuer in accordance with the BRRD, is not an event of default.

(d) No Event of Default for the Notes shall occur other than in the context of an insolvency or liquidation in respect of the relevant Issuer (and, for the avoidance of doubt, resolution proceeding(s) or *moratoria* imposed by a resolution authority in respect of the relevant Issuer shall not constitute an Event of Default for the Notes for any purpose).

13. **Prescription**

Claims against the Issuers for payment of principal and interest in respect of the Notes will be prescribed and become void unless made, in the case of principal, within ten years or, in the case of interest, five years after the Relevant Date.

14. **Paying Agents**

The initial Paying Agent is the Issuer. The initial Calculation Agent (if any) is specified in the applicable Final Terms. The Issuer reserves the right to terminate its role as Paying Agent at any time

and to appoint another person to act as Paying Agent or vary or terminate the appointment of any paying agent appointed under the terms of an agency agreement in a customary form and/or appoint additional or other paying agents and appoint a successor issuing and principal paying agent or Calculation Agent, provided it will at all times maintain:

(i) a Paying Agent; and

(ii) if a Calculation Agent is specified in the applicable Final Terms, the Issuer shall at all times maintain a Calculation Agent.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders in accordance with Condition 17 (*Notices*).

15. **Meetings of Noteholders; Modification and Waiver; Substitution**

(a) The Conditions may not be amended without the prior approval of the Relevant Authority (if applicable). The Provisions for Meetings of Noteholders contains provisions for convening meetings (including by way of conference call) of the Noteholders to consider any matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions, and the terms of the Notes. The modification of certain terms, including, *inter alia*, the status of the Notes, the rate of interest payable in respect of the Notes, the principal amount thereof, the currency of payment thereof, the date for repayment of the Notes and any date for payment of, or the method of determining the rate of, interest thereon, may only be effected at a meeting of Noteholders to which special quorum provisions apply. Any resolution duly passed at a meeting of Noteholders shall be binding on all the Noteholders, whether present or not.

(b) The Notes and these Conditions may be amended without the consent of the Noteholders to correct a manifest error. In addition, the Issuer may not effect, without the consent of the Noteholders, any modification unless it is of a formal, minor or technical nature, it is made to correct a manifest error or it is, in the opinion of such parties, not materially prejudicial to the interests of the Noteholders.

(c) No consent of the Noteholders shall be required for an Approved Reorganisation, *provided that*: (A) if required by the Applicable Banking Regulations, the Issuers have obtained the prior permission of the Relevant Authority; and (B) the Issuers shall make available at its specified office to the Noteholders, a certificate signed by two directors of each Issuer stating that:

(i) immediately prior to the assumption of its obligations, the Resulting Entity is solvent after taking account of all prospective and contingent liabilities resulting from its becoming the Resulting Entity; and

(ii) the proposed consolidation, merger or amalgamation will be an Approved Reorganisation.

Any Approved Reorganisation shall be notified to the Noteholders in accordance with Condition 17 (*Notices*).

(d) This Condition 15(d) applies to Subordinated Notes. If at any time a Tax Event, an Alignment Event or a Regulatory Event occurs and/or in order to ensure the effectiveness and enforceability of Condition 20 (*Acknowledgment of the Italian Bail-in Power*), then the Issuer may, subject to giving any notice required to, and receiving consent from, the Relevant Authority (without any requirement for the consent or approval of the holders of Subordinated Notes of that Series) and having given not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Paying Agent and the Holders of Subordinated Notes of that Series (which notice shall be irrevocable), at any time vary the terms of such Subordinated Notes so that they remain or, as appropriate, become, Qualifying Subordinated Securities (as defined below), *provided that* such variation does not itself give rise to any right of the Issuer to redeem the varied or substituted securities that would otherwise provide the Issuer with a right of redemption pursuant to the provisions of Subordinated Notes.

For the avoidance of doubt, no consent of the Noteholders shall be required for a variation of the Notes in accordance with this Condition 15(d).

(e) This Condition 15(e) applies to Senior Preferred Notes and Senior Non-Preferred Notes. If at any time an MREL Disqualification Event or an Alignment Event occurs and/or in order to ensure the effectiveness and enforceability of Condition 20 (*Acknowledgment of the Italian Bail-in Power*), then the Issuers may, subject to giving any notice required to be given to, and receiving consent from, the Relevant Authority (without any requirement for the consent or approval of the holders of the Senior Preferred Notes or Senior Non-Preferred Notes of that Series) and having given not less than 30 (thirty) nor more than 60 (sixty) days' notice to the Paying Agent and the Holders of the Senior Preferred Notes or Senior Non-Preferred Notes of that Series, which notice shall be irrevocable, at any time vary the terms of such Senior Preferred Notes or Senior Non-Preferred Notes so that they remain or, as appropriate, become Qualifying Senior Preferred Notes or Qualifying Senior Non-Preferred Notes (each as defined below), *provided that* such variation does not itself give rise to any right of the Issuers to redeem the varied or substituted securities.

For the avoidance of doubt, no consent of the Noteholders shall be required for a substitution or variation (as applicable) of the Notes in accordance with this Condition 15(e).

16. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects other than the Issue Date, Issue Price and/or Interest Commencement Date and/or the first payment of interest) so as to form a single series with the Notes.

17. **Notices**

For so long as the Notes are held through Monte Titoli, all notices regarding the Notes will be deemed to be validly given if published through the systems of Monte Titoli, and if and for so long as the Notes are listed or admitted to trading on the Luxembourg Stock Exchange and the rules of that exchange so require, a leading newspaper having general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (*https://www.luxse.com/*) or in each of the above cases, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers).

18. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

19. **Governing Law and Jurisdiction**

(a) *Governing law*: The rights and obligations in respect of the Notes, and any non contractual obligations arising out of or in connection with each of the foregoing, are governed by, and shall be construed in accordance with, Italian law.

(b) *Jurisdiction*: Intesa Sanpaolo irrevocably agrees for the benefit of the Noteholders that the courts of Milan are to have jurisdiction to hear and determine any suit, action or proceedings and to hear and determine any suit, action or proceedings and to settle any disputes which may arise out of or in connection with the Notes (including any non-contractual obligations arising out of or in connection with the foregoing) (respectively "**Proceedings**" and "**Disputes**") and for such purposes irrevocably submits to the non-exclusive jurisdiction of such courts.

(c) *Appropriate forum*: Intesa Sanpaolo irrevocably waives any objection which it might now or hereafter have to the courts of Milan being nominated as the forum to hear and determine any Proceedings and to settle any Disputes, and has agreed not to claim that any such court is not a convenient or appropriate forum.

(d) *Non-exclusivity*: The submission to the jurisdiction of the courts of Milan shall not (and shall not be construed so as to) limit the right of any Noteholder to take Proceedings in any other court of competent jurisdiction, nor shall the taking of Proceedings in any one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether currently or not) if and to the extent permitted by law.

(e) *Consent to enforcement etc*: Intesa Sanpaolo consents generally in respect of any Proceedings to the giving of any relief or the issue of any process in connection with such Proceedings including (without limitation) the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such Proceedings.

20. **Acknowledgement of the Italian Bail-in Power**

Notwithstanding any provision of these Conditions or any other agreements, arrangements, or understandings between the Issuers and any holder, and without prejudice to Article 55(1) of the BRRD, by its acquisition of the Notes each holder (which, for the purposes of this Condition 20, includes each holder of a beneficial interest in the Notes) acknowledges, accepts, consents to and agrees to be bound by:

(i) the effects of the exercise of the Italian Bail-in Power by the Relevant Authority, which exercise may include and result in any of the following, or some combination thereof: (i) the reduction of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; (ii) the conversion of all, or a portion, of the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto, into ordinary shares, other securities or other obligations of the Issuer or another person (and the issue to or conferral on the holder of such shares, securities or obligations), including by means of an amendment, modification or variation of these Conditions; (iii) the cancellation of the Notes or the principal amount in respect of the Notes together with any accrued but unpaid interest due thereon and any additional amounts (if any) due in relation thereto; and (iv) the amendment or alteration of the maturity of the Notes or amendment of the amount of interest payable on the Notes, or the date on which the interest becomes payable, including by suspending payment for a temporary period; and

(ii) the variation of these Conditions, as deemed necessary by the Relevant Authority, to give effect to the exercise of the Italian Bail-in Power by the Relevant Authority.

The exercise of the Italian Bail-in Power by the Relevant Authority shall not constitute an event of default and these Conditions shall remain in full force and effect save as varied by the Relevant Authority in accordance with this Condition 20.

Upon the Issuer being informed or notified by the Relevant Authority of the actual date from which the exercise of the Italian Bail-in Power is effective with respect to the Notes, the Issuer shall notify the holders of the Notes without delay. Any delay or failure by the Issuer to give notice shall not affect the validity and enforceability of the Italian Bail-in Power nor the effects on the Notes described in this Condition 20.

Each Noteholder also acknowledges and agrees that this provision is exhaustive on the matters described herein to the exclusion of any other agreements, arrangements or understandings relating to the application of any Italian Bail-in Power to the Notes.

SCHEDULE 1TO THE TERMS AND CONDITIONS FOR THE DEMATERIALISED NOTES

PROVISIONS FOR MEETINGS OF NOTEHOLDERS

The following provisions (the "**Provisions for Meetings of Noteholders**") will apply to the meetings of the holders of the Dematerialised Notes and will remain in full force and effect until full repayment or cancellation of the Dematerialised Notes to which the Provisions apply.

The contents of these Provisions for Meetings of Noteholders are subject to any mandatory provisions of Italian law (including, without limitation, those set out in the Financial Services Act) and the Issuer's By-Laws in force from time to time.

Unless otherwise provided in these Provisions for Meetings of Noteholders, any capitalised term shall have the meaning attributed to it in the Terms and Conditions for the Dematerialised Notes.

1. **DEFINITIONS**

1.1 In this Schedule 1 and the Conditions, the following expressions have the following meanings:

"**Block Voting Instruction**" means, in relation to any Meeting, a document requested by any Noteholder and issued by the relevant Monte Titoli Account Holder in accordance with applicable laws and regulations, delivered to the Paying Agent:

(a) certifying that certain specified Notes (the "**Blocked Notes**") are blocked in an account with the relevant Monte Titoli Account Holder and will not be released until the earlier of:

(i) the conclusion of the Meeting; and

(ii) the surrender to such Paying Agent, not less than 48 hours before the time fixed for the Meeting (or, if the Meeting has been adjourned, the time fixed for its resumption), of the receipt for the Blocked Notes by the Paying Agent to the Issuer;

(b) certifying that the holder of each Blocked Note has instructed that the votes attributable to such Blocked Note are to be cast in a particular way on each resolution to be put to the Meeting and that, during the period of 48 hours before the time fixed for the Meeting, such instructions may not be amended or revoked;

(c) listing the total number of the Blocked Notes, distinguishing for each resolution between those in respect of which instructions have been given to vote for, or against, or abstain from, the resolution; and

(d) authorising a named individual or individuals to vote in respect of the Blocked Notes in accordance with such instructions;

"**Chairman**" means, in relation to any Meeting, the individual who takes the chair in accordance with paragraph 8 (*Chairman*);

"**Extraordinary Resolution**" means a resolution passed at a Meeting duly convened and held in accordance with this Schedule 1 by a majority of not less than three quarters of the votes cast**;**

"**Meeting**" means a meeting of Noteholders (including by way of conference call or by use of a videoconference platform) (whether originally convened or resumed following an adjournment and including, if applicable, a Single Call Meeting);

"**Proxy**" in relation to any Meeting, a person appointed to vote under a Block Voting Instruction other than:

(a) any such person whose appointment has been revoked and in relation to whom the Paying Agent has been notified in writing of such revocation by the time which is 48 hours before the time fixed for such Meeting; and

(b) any such person appointed to vote at a Meeting which has been adjourned for want of a quorum and who has not been re-appointed to vote at the Meeting when it is resumed;

"**Relevant Fraction**" means:

(a) for all business other than voting on an Extraordinary Resolution, one tenth of the aggregate principal amount of the outstanding Notes;

(b) or voting on any Extraordinary Resolution other than one relating to a Reserved Matter, more than half of the aggregate principal amount of the outstanding Notes;

(c) for voting on any Extraordinary Resolution relating to a Reserved Matter, three quarters of the aggregate principal amount of the outstanding Notes; and

provided, **however**, **that**, in the case of a Meeting which has resumed after adjournment for want of a quorum or, if applicable, a Single Call Meeting, it means:

(i) for all business other than voting on an Extraordinary Resolution relating to a Reserved Matter, the fraction of the aggregate principal amount of the outstanding Notes represented or held by the Voters actually present at the Meeting; and

(ii) for voting on any Extraordinary Resolution relating to a Reserved Matter, one quarter of the aggregate principal amount of the outstanding Notes;

"**Reserved Matter**" means any proposal:

(a) to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes or to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity or the date for any such payment;

(b) to effect the exchange or substitution of the Notes for, or the conversion of the Notes into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed (other than as a consequence of a Permitted Reorganisation);

(c) to change the currency in which amounts due in respect of the Notes are payable;

(d) to change the quorum required at any Meeting or the majority required to pass an Extraordinary Resolution;

(e) to amend the provisions contained in Condition 4.1 (*Status and Subordination of the Notes – Status of the Notes*), save where such amendment is made pursuant to the modification provisions set out in Condition 15.3 (*Modification following a Regulatory Event or a Tax Event, or to ensure effectiveness or enforceability of bail-in*); or

(f) to amend this definition;

"**Single Call Meeting**" means a meeting to be held on a single call (*unica convocazione*);

"**Voter**" means, in relation to any Meeting, the bearer of a Voting Certificate or a Proxy;

"**Voting Certificate**" means, in relation to any Meeting, a certificate issued by the relevant Monte Titoli Account Holder in accordance with applicable laws and regulations, in which it is stated:

(a) that the Blocked Notes have been blocked in an account the relevant Monte Titoli Account Holder and will not be released until the earlier of:

(i) the conclusion of the Meeting; and

(ii) the surrender of such certificate to the relevant Monte Titoli Account Holder and notification of release thereof to the Issuer; and

(b) that the bearer of such certificate is entitled to attend and vote at the Meeting in respect of the Blocked Notes.

"**Written Resolution**" means a resolution in writing signed by or on behalf of all holders of Notes who for the time being are entitled to receive notice of a Meeting in accordance with the provisions of this Schedule 1, whether contained in one document or several documents in the same form, each signed by or on behalf of one or more such holders of the Notes;

"**24 hours**" means a period of 24 hours including all or part of a day upon which banks are open for business in both the place where the relevant Meeting is to be held and in each of the places where the Paying Agent has its Specified Office (disregarding for this purpose the day upon which such Meeting is to be held) and such period shall be extended by one period or, to the extent necessary, more periods of 24 hours until there is included as aforesaid all or part of a day upon which banks are open for business as aforesaid; and

"**48 hours**" means 2 consecutive periods of 24 hours.

2. ISSUE OF VOTING CERTIFICATES AND BLOCK VOTING INSTRUCTIONS

The Holder may obtain a Voting Certificate from the relevant Monte Titoli Account Holder or require the relevant Monte Titoli Account Holder to issue a Block Voting Instruction in respect of such Note (i) not later than 48 hours before the time fixed for the relevant Meeting; or (ii) not later than any different period before the date fixed for the relevant Meeting which may be prescribed by applicable law (including, without limitation, applicable provision of the Italian Financial Act). A Voting Certificate or Block Voting Instruction shall be valid until the release of the Blocked Notes to which it relates. So long as a Voting Certificate or Block Voting Instruction is valid, the bearer thereof (in the case of a Voting Certificate) or any Proxy named therein (in the case of a Block Voting Instruction) shall be deemed to be the Holder of the Notes to which it relates for all purposes in connection with the Meeting. A Voting Certificate and a Block Voting Instruction cannot be outstanding simultaneously in respect of the same Note.

3. REFERENCES TO BLOCKING/RELEASE OF NOTES

References to the blocking or release of Notes shall be construed in accordance with the usual practices (including blocking the relevant account) of the relevant Monte Titoli Account Holder and Monte Titoli.

4. VALIDITY OF BLOCK VOTING INSTRUCTIONS

A Block Voting Instruction in relation to any Notes shall be valid only if it is deposited at the Specified Office of the Paying Agent or at some other place approved by the Issuer, at least 24 hours before the time fixed for the relevant Meeting or the Chairman decides otherwise before the Meeting proceeds to business. If the Issuer requires, a notarised copy of each Block Voting Instruction and satisfactory proof of the identity of each Proxy named therein shall be produced at the Meeting, but the Issuer shall not be obliged to investigate the validity of any Block Voting Instruction or the authority of any Proxy.

5. RECORD DATE

The Issuer may fix a record date for the purposes of any Meeting or any resumption thereof following its adjournment for want of a quorum**.** Such date (the "**Record Date**") shall to be determined in accordance with applicable Italian laws and shall be indicated in the notice convening the Meeting. The holder of the relevant Notes at the close of business on the Record Date shall be deemed to be the holder of such Note for the purposes of such Meeting and notwithstanding any subsequent transfer of such Note.

6. CONVENING OF MEETING

The Issuer may convene a Meeting at any time, and the Issuer shall be obliged to do so upon the request in writing of Noteholders holding not less than one tenth of the aggregate principal amount of the

outstanding Notes. Every Meeting shall be held on a date, and at a time and place, approved by the Issuer (including by way of conference call or by use of a videoconference platform).

7. **NOTICE**

At least 21 days' notice (exclusive of the day on which the notice is given and of the day on which the relevant Meeting is to be held) specifying the date, time and place of the Meeting shall be given to the Noteholders and the Paying Agent where the Meeting is convened by the Issuer.

The notice shall set out (*inter alia*) the full text of any resolutions to be proposed unless the Issuer agrees that the notice shall instead specify the nature of the resolutions without including the full text and shall state that the Notes may be blocked with the relevant Monte Titoli Account Holder for the purpose of obtaining Voting Certificates or appointing Proxies not later than 48 hours before the time fixed for the Meeting. The notice may also specify the date on which the Meeting will be held if adjourned for want of quorum, which shall be not less than one day and not more than 30 days following the date of the Meeting that is to be adjourned.

8. **CHAIRMAN**

An individual (who may, but need not, be a Noteholder) nominated in writing by the Issuer may take the chair at any Meeting but, if no such nomination is made or if the individual nominated is not present within 15 minutes after the time fixed for the Meeting, those present shall elect one of themselves to take the chair failing which, the Issuer may appoint a Chairman. The Chairman of an adjourned Meeting need not be the same person as was the Chairman of the original Meeting.

9. **QUORUM**

The quorum at any Meeting shall be one or more Voters representing or holding not less than the Relevant Fraction.

10. **ADJOURNMENT FOR WANT OF QUORUM**

If within 15 minutes after the time fixed for any Meeting (other than a Single Call Meeting) a quorum is not present, then:

(a) in the case of a Meeting requested by Noteholders, it shall be dissolved; and

(b) in the case of any other Meeting, it shall be adjourned for such period (which shall be not less than 14 days and not more than 42 days) or, if applicable, to the date indicated in the original notice convening such Meeting, and to such place as the Chairman determines (with the approval of the Issuer); **provided**, **however**, **that**:

(i) the Meeting shall be dissolved if the Issuer so decides; and

(ii) no Meeting may be adjourned more than once for want of a quorum.

11. **ADJOURNED MEETING OTHER THAN FOR WANT OF QUORUM**

The Chairman may, with the consent of, and shall if directed by, Voters holding or representing at least one third of the aggregate principal amount of the Notes represented at any Meeting (including a Single Call Meeting) adjourn such Meeting from time to time (but no later than five calendar days after the original date of such Meeting) and from place to place, but no business shall be transacted at any adjourned Meeting except business which might lawfully have been transacted at the Meeting from which the adjournment took place.

12. **NOTICE FOLLOWING ADJOURNMENT**

Paragraph 7 (*Notice*) shall apply to any Meeting which is to be resumed after adjournment for want of a quorum unless details of the adjourned Meeting are already stated in the notice convening the original Meeting, save that:

(a) 10 days' notice (exclusive of the day on which the notice is given and of the day on which the Meeting is to be resumed) shall be sufficient; and

(b) the notice shall specifically set out the quorum requirements which will apply when the Meeting resumes.

It shall not be necessary to give notice of the resumption of a Meeting which has been adjourned for any other reason.

13. **PARTICIPATION**

The following may attend and speak at a Meeting:

(a) Voters;

(b) representatives of the Issuer;

(c) the financial advisers of the Issuer;

(d) the legal counsel to the Issuer and such advisers;

(e) any other person approved by the Meeting; and

(f) the Paying Agent.

14. **VOTES**

Every Voter shall have, one vote in respect of each €1,000 or such other amount as the Issuer may in its absolute discretion stipulate in original principal amount of the outstanding Note(s) represented or held by him.

Unless the terms of any Block Voting Instruction state otherwise, a Voter shall not be obliged to exercise all the votes to which he is entitled or to cast all the votes which he exercises in the same way.

In the case of any Meeting of holders of more than one Series of Notes where not all such Series are in the same currency, the principal amount of such Notes shall for all purposes in this Schedule 1 (whether *inter alia* in respect of the Meeting or any poll resulting therefrom), be the equivalent in Euro translated at the spot rate of a bank nominated by the Issuer for the sale of the relevant currency or currencies for Euro on the seventh dealing day prior to such Meeting, or in the case of a written request pursuant to paragraph 6, the date of such request. In such circumstances, on any poll each person present shall have one vote for each Unit of Notes (converted as above) which he holds.

In this paragraph, a "**Unit**" means the lowest denomination of the Notes as stated in the applicable Final Terms or in the case of a meeting of Noteholders of more than one Series, shall be the lowest common denominator of the lowest denomination of the Notes.

15. **VALIDITY OF VOTES BY PROXIES**

15.1 Any vote by a Proxy in accordance with the relevant Block Voting Instruction shall be valid even if such Block Voting Instruction or any instruction pursuant to which it was given has been amended or revoked, **provided that** neither the Issuer, the Paying Agent nor the Chairman has been notified in writing of such amendment or revocation by the time which is 24 hours before the time fixed for the relevant Meeting.

15.2 Unless revoked, any appointment of a Proxy under a Block Voting Instruction in relation to a Meeting shall remain in force in relation to any resumption of such Meeting following an adjournment; **provided**, **however**, **that** no such appointment of a Proxy in relation to a Meeting originally convened which has been adjourned for want of a quorum shall remain in force in relation to such Meeting when it is resumed. Any person appointed to vote at such a Meeting must be re-appointed under a Block Voting Instruction to vote at the Meeting when it is resumed.

16. POWERS

A Meeting shall have power (exercisable only by Extraordinary Resolution), without prejudice to any other powers conferred on it or any other person:

(a) to approve any Reserved Matter;

(b) to approve any proposal by the Issuer for any modification, abrogation, variation or compromise of any provisions of this Agency Agreement or the Conditions or any arrangement in respect of the obligations of the Issuer under or in respect of the Notes (without prejudice to any such action that, according to the Conditions, may be taken without approval by the Noteholders);

(c) to approve the substitution of any person for the Issuer (or any previous substitute) as principal obligor under the Notes (without prejudice to any such substitution in the context of a Permitted Reorganization that, according to the Conditions, does not require approval by the Noteholders);

(d) to waive any breach or authorise any proposed breach by the Issuer of its obligations under or in respect of the Notes or any act or omission which might otherwise constitute an Event of Default under the Notes;

(e) to authorise any person to execute all documents and do all things necessary to give effect to any Extraordinary Resolution;

(f) to give any other authorisation or approval which under the Conditions or the Notes is required to be given by Extraordinary Resolution; and

(g) to appoint any persons as a committee to represent the interests of the Noteholders and to confer upon such committee any powers which the Noteholders could themselves exercise by Extraordinary Resolution.

17. EXTRAORDINARY RESOLUTION BINDS ALL HOLDERS

An Extraordinary Resolution shall be binding upon all Noteholders, whether or not present at such Meeting, and each of the Noteholders shall be bound to give effect to it accordingly. Notice of the result of every vote on an Extraordinary Resolution shall be given to the Noteholders and to the Paying Agent with a copy to the Issuer) within 14 days of the conclusion of the Meeting.

18. MINUTES

Minutes of all resolutions and proceedings at each Meeting shall be made. The Chairman shall sign the minutes, which shall be *prima facie* evidence of the proceedings recorded therein. Unless and until the contrary is proved, every such Meeting in respect of the proceedings of which minutes have been summarised and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.

19. **WRITTEN RESOLUTION**

If and to the extent permitted under the laws, legislation, rules and regulations of the Issuer's place of incorporation in force from time to time, a Written Resolution shall take effect as if it were an Extraordinary Resolution.

20. **FURTHER REGULATIONS**

All provisions set out in this Schedule 1 are subject to compliance with the laws, legislation, rules and regulations of the Republic of Italy in force from time to time (including, to the extent applicable to the Issuer and/or the Notes, any provisions applicable to issuers of listed financial instruments) and shall be deemed to be amended, replaced and/or supplemented to the extent that such laws, legislation, rules and regulations are amended, replaced and/or supplemented at any time while the Notes remain outstanding.

Subject to all other provisions contained in the Conditions, the Issuer may without the consent of the Noteholders prescribe such further regulations regarding the holding of Meetings of Noteholders and attendance and voting at them as the Issuer may in its sole discretion determine.

21. **SEVERAL SERIES**

The following provisions shall apply where outstanding Notes belong to more than one Series:

(a) Business which in the opinion of the Issuer affects the Notes of only one Series shall be transacted at a separate Meeting of the holders of the Notes of that Series.

(b) Business which in the opinion of the Issuer affects the Notes of more than one Series but does not give rise to an actual or potential conflict of interest between the holder of Notes or one such Series and the holders of Notes of any other such Series shall be transacted either at separate Meetings of the holders of the Notes of each such Series or at a single Meeting of the holders of the Notes of all such Series, as the Issuer shall in its absolute discretion determine.

(c) Business which in the opinion of the Issuer affects the Notes of more than one Series and gives rise to an actual or potential conflict of interest between the holders of Notes of one such Series and the holders of Notes of any other such Series shall be transacted at separate Meetings of the holders of the Notes of each such Series.

(d) The preceding paragraphs of this Schedule 1 shall be applied as if references to the Notes and Noteholders were to the Notes of the relevant Series and to the holders of such Notes.

In this paragraph, "**business**" includes (without limitation) the passing or rejection of any resolution.

OVERVIEW OF PROVISIONS RELATING TO THE NOTES IN PHYSICAL FORM WHILE IN GLOBAL FORM

Clearing System Accountholders

In relation to any Tranche of Notes represented by a Bearer Global Note, references in the Terms and Conditions of the Notes to "**Noteholder**" are references to the bearer of the relevant Bearer Global Note which, for so long as the Bearer Global Note is held by a depositary or a common depositary, in the case of a Classic Global Note, or a common safekeeper, in the case of a New Global Note for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

In relation to any Tranche of Notes represented by a Global Registered Note, references in the Terms and Conditions of the Notes to "Noteholder" are references to the person in whose name such Global Registered Note is for the time being registered in the Register which, for so long as the Global Registered Note is held by or on behalf of a depositary or a common depositary or a common safekeeper for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or common safekeeper or a nominee for that depositary or common depositary or common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Bearer Global Note or a Global Registered Note (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the relevant Issuer or the Guarantor (where applicable) to the holder of such Bearer Global Note or Global Registered Note and in relation to all other rights arising under such Bearer Global Note or Global Registered Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Bearer Global Note or Global Registered Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by a Bearer Global Note or Global Registered Note, Accountholders shall have no claim directly against the Issuers or the Guarantor in respect of payments due under the Notes and such obligations of the relevant Issuer and the Guarantor (where applicable) will be discharged by payment to the holder of such Bearer Global Note or Global Registered Note.

Conditions applicable to Global Notes

Each Bearer Global Note and Global Registered Note will contain provisions which modify the Terms and Conditions of the Notes as they apply to such Bearer Global Note or Global Registered Note. The following is a summary of certain of those provisions:

Payments: All payments in respect of the Bearer Global Note or Global Registered Note which, according to the Terms and Conditions of the Notes, require presentation and/or surrender of a Note, Note Certificate or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Bearer Global Note or Global Registered Note to or to the order of any **Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the Issuer in** respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Bearer Global Note, the Issuer shall procure that in respect of a Classic Global Note the payment is noted in a schedule thereto and in respect of a New Global Note the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg.

Payment Business Day: In the case of a Bearer Global Note, or a Global Registered Note, a "**Payment Business Day**" shall be, if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

Payment Record Date: Each payment in respect of a Global Registered Note will be made to the person shown as the Holder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where "**Clearing System**

Business Day" means a day on which each clearing system for which the Global Registered Note is being held is open for business.

Exercise of put option: In order to exercise the option contained in Condition 10(e) (*Redemption at the option of Noteholders*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 9(e) (*Redemption at the option of Noteholders*) of the Terms and Conditions of the Italian Law Notes in Physical Form the bearer of the Permanent Global Note or the holder of a Global Registered Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Fiscal Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

Partial exercise of call option: In connection with an exercise of the option contained in Condition 10(c) (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note or Global Registered Note may be redeemed in part in the principal amount specified by the Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

Notices: Notwithstanding Condition 19 (*Notices*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 18 (*Notices*) of the Terms and Conditions of the Italian Law Notes in Physical Form, while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or a Global Registered Note and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are), or the Global Registered Note is, deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 19 (*Notices*) of the Terms and Conditions of the English Law Notes in Physical Form and Condition 18 (*Notices*) of the Terms and Conditions of the Italian Law Notes in Physical Form on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, except that, for so long as such Notes are admitted to trading on the Luxembourg Stock Exchange and it is a requirement of applicable law or regulations, such notices shall be published in a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) or published on the website of the Luxembourg Stock Exchange (*www.LuxSE.com*).

Calculation of interest: the calculation of any interest amount in respect of any Note which is represented by a Global Note (or by a Global Registered Note) will be calculated on the aggregate outstanding nominal amount of the Notes represented by such Global Note (or Global Registered Note), as the case may be, and not by reference to the Calculation Amount.

FORM OF FINAL TERMS

The Final Terms in respect of each Tranche of Notes will be in the following form, completed to reflect the particular terms of the relevant Notes and their issue. Text in this section appearing in italics does not form part of the form of the Final Terms but denotes directions for completing the Final Terms.

[**PROHIBITION OF SALES TO EEA RETAIL INVESTORS –** The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**EU Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of EU MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.]

[**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the Financial Services and Markets Act 2000 (the "**FSMA**") to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.]

[EU MIFID II Product Governance / Professional investors and ECPs only target market – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the [Notes] has led to the conclusion that: (i) the target market for the [Notes] is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "**EU MiFID II**")][EU MiFID II]; and (ii) all channels for distribution of the [Notes] to eligible counterparties and professional clients are appropriate. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the [Notes] (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to EU MiFID II is responsible for undertaking its own target market assessment in respect of the [Notes] (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[**UK MIFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the [Notes] has led to the conclusion that: (i) the target market for the [Notes] is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the [Notes] to eligible counterparties and professional clients are appropriate. [*Consider any negative target market*]. Any person subsequently offering, selling or recommending the [Notes] (a "**distributor**") should take into consideration the manufacturer['s/s'] target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the [Notes] (by either adopting or refining the manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

[Singapore Securities and Futures Act Product Classification Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**"), the Issuer has determined, and hereby notifies all

relevant persons (as defined in Section 309A(1) of the SFA) that the Notes are ["prescribed capital markets products"]/["capital markets products other than prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore) and "Excluded Investment Products" (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

The following language applies if the Notes are intended to be "qualifying debt securities" (as defined in the Income Tax Act, 1947 of Singapore):

Where interest, discount income, early redemption fee or redemption premium is derived from any Notes by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act 1947 of Singapore (the "**ITA**") shall not apply if such person acquires such Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, early redemption fee or redemption premium derived from the Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.

[*The following language applies in respect of any tranche of Notes issued in Singapore Dollars with a denomination of less than S$200,000:*

The following information is provided pursuant to Regulation 6 of the Banking Regulations made under the Banking Act 1970 of Singapore:

(a) the place of booking of the Notes is [●];

(b) the branch or office of the Issuer at which the tranche of the Notes is booked is not subject to regulation or supervision in Singapore;

(c) the tranche of Notes is [not secured by any means] / [secured by [*please describe the nature of the security, the name of the mortgagor, chargor or guarantor and whether such person is regulated by the Monetary Authority of Singapore*]].

Final Terms dated [•]

[**Intesa Sanpaolo S.p.A.** [**acting through its Sydney branch**]/
Intesa Sanpaolo Bank Ireland p.l.c./
Intesa Sanpaolo Bank Luxembourg S.A. *a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg as a credit institution, having its registered office at 28, Boulevard de Kockelscheuer, Luxembourg, L-1821, Grand Duchy of Luxembourg, and registered with the Luxembourg Register of Commerce and Companies under number B13859*]

Issue of [*Aggregate Principal Amount of Tranche*] [*Title of Notes*]
(Notes issued by INSPIRE or Intesa Luxembourg only) [Guaranteed by

Intesa Sanpaolo S.p.A.]

under the €70,000,000,000
Euro Medium Term Note Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the [Terms and Conditions for the English Law Notes in Physical Form]/[Terms and Conditions for the Italian Law Notes in Physical Form]/[Terms and Conditions for the Dematerialised Notes] set forth in the Base Prospectus dated 21 December 2023 [and the supplement to the Base Prospectus dated [•]], which [together] constitute[s] a base prospectus for the purposes of Regulation (EU) 2017/1129, as amended or superseded (the "**Prospectus Regulation**"). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Base Prospectus [as so supplemented]]. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [and the supplement dated [ ]]. The Base

Prospectus [and the supplement] [is/are] available for viewing at the registered office[s] of the Issuer at [2nd Floor, International House, 3 Harbourmaster Place, IFSC Dublin 1, Ireland and of the Guarantor at]/[28, Boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg and of the Guarantor at]/[Piazza San Carlo 156, 10121 Turin, Italy] and from Intesa Sanpaolo Bank Luxembourg S.A. at 28, Boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg, during usual business hours of any weekday (Saturdays and bank holidays excepted) and free of charge. The Base Prospectus [and the supplement] and, in the case of Notes admitted to trading on the regulated market of the Luxembourg Stock Exchange, the applicable Final Terms will also be published on the website of the Luxembourg Stock Exchange (*www.LuxSE.com*).

The following alternative language applies if the first tranche of an issue which is being increased was issued under the 2021 Base Prospectus.

Terms used herein shall be deemed to be defined as such for the purposes of the [Terms and Conditions for the English Law Notes]/[Terms and Conditions for the Italian Law Notes] set forth in the Base Prospectus dated 22 December 2022. This document constitutes the Final Terms of the Notes described herein for the purposes of Regulation (EU) 2017/1129, as amended or superseded (the "**Prospectus Regulation**") and must be read in conjunction with the Base Prospectus dated 21 December 2023 [and the supplement to the Base Prospectus dated [•]], which [together] constitute[s] a base prospectus for the purposes of the Prospectus Regulation, save in respect of the [Terms and Conditions for the English Law Notes] [Terms and Conditions for the Italian Law Notes] which are extracted from the Base Prospectus dated 22 December 2022 and are attached hereto. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectuses dated 22 December 2022 and 21 December 2023 [and the supplement dated [•]]. The Base Prospectuses [and the supplement] are available for viewing at the registered office[s] of the Issuer at [2nd Floor, International House, 3 Harbourmaster Place, IFSC Dublin, Ireland and of the Guarantor at]/[28, Boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg, and of the Guarantor at]/[Piazza San Carlo 156, 10121 Turin, Italy] and from Intesa Sanpaolo Bank Luxembourg S.A. at 28, Boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg, during usual business hours of any weekday (Saturdays and bank holidays excepted) and free of charge. The Base Prospectuses [and the supplement] and, in the case of Notes admitted to trading on the regulated market of the Luxembourg Stock Exchange, the applicable Final Terms will also be published on the website of the Luxembourg Stock Exchange (*www.LuxSE.com*).

*(Include whichever of the following apply or specify as "**Not Applicable**" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs (in which case the sub-paragraphs of the paragraphs which are not applicable can be deleted). Italics denote guidance for completing the Final Terms.)*

1.	Series Number:		[•]
	Tranche Number:		[•]
	Date on which the Notes become fungible		Not Applicable / The Notes will be consolidated, form a single Series and be interchangeable for trading purposes with (*identify earlier Tranches*) on [the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [27] below, which is expected to occur on or about [*date*]]
2.	Specified Currency or Currencies:		[•]
3.	Aggregate Principal Amount:		[•]
	(i)	Series:	[•]
	(ii)	Tranche:	[•]

4.	Issue Price:		[•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [ ] (*insert date, if applicable*)]
5.	Specified Denominations:		[•] [and integral multiples of [•] in excess thereof up to and including [•]. No Notes in definitive form will be issued with a denomination above [•].] (*Unless paragraph 30 (Form of Notes) below specifies that the Global Note is to be exchanged for Definitive Notes "in the limited circumstances described in the Permanent Global Note", Notes may only be issued in denominations which are integral multiples of the minimum denomination and may only be traded in such amounts, whether in global or definitive form. Where paragraph 29 (Form of Notes) does so specify, Notes may be issued in denominations of €100,000 and higher integral multiples of €1,000 up to a maximum of €199,000, as applicable*). *(The minimum denomination of Notes admitted to trading on a regulated market within the European Economic Area in circumstances which require the publication of a prospectus under the Prospectus Regulation will be €100,000 (or, if the Notes are denominated in a currency other than euro, the equivalent amount of such currency).)* *(In the case of Senior Non-Preferred Notes, Notes must have a minimum denomination of €150,000 (or equivalent), or in the case of Subordinated Notes, Notes must have a minimum denomination of €200,000 (or equivalent)) (or such other minimum denomination provided by applicable law from time to time).*
	(i)	Specified Minimum Amounts:	[•] [*For Registered Notes only.*]
	(ii)	Specified Increments:	[•] [*For Registered Notes only.*]
	(iii)	Calculation Amount:	[•] (*If only one Specified Denomination, insert the Specified Denomination. If more than one Specified Denomination, insert the highest common factor. There must be a common factor in the case of two or more Specified Denominations.*)
6.	Issue Date:		[•]
	(i)	Interest Commencement Date (if different from the Issue Date):	[•]/[Issue Date]/[Not Applicable]
7.	Maturity Date:		[•] (*specify date or (for Floating Rate Notes) Interest Payment Date falling in the relevant month and year*) (*N.B. For Renminbi Notes subject to the Fixed Rate Note Provisions where the Interest Payment*

		Dates are subject to modification it will be necessary to specify the Interest Payment Date falling in or nearest to the relevant month and year.)
8.	Interest Basis:	[% Fixed Rate] [[•]% Floating Rate] [Zero Coupon] [Inflation-Linked] [[Floating Rate: CMS Linked Interest]] [Floating Rate: EURIBOR Linked Interest] [Floating Rate: SONIA Linked Interest] [Floating Rate: SOFR Linked Interest] [Floating Rate: SARON Linked Interest] [Floating Rate: €STR Linked Interest] [Fixed-Floating Rate] [Floating-Fixed Rate] [Reset Notes] (further particulars specified below)
9.	Redemption/Payment Basis:	[Redemption at par] [Inflation-Linked]
10.	Change of Interest or Redemption/Payment Basis:	(*Specify the date when any fixed or floating rate change occurs or cross refer to paragraphs 13 and 14 below and identify there*) [•]/[Not Applicable] [(further particulars specified in paragraph 19 below)]
11.	Put/Call Options:	[Not Applicable] [Put Option] [Call Option] [Regulatory Call] [Issuer Call due to a MREL Disqualification Event] [Issuer Call – Clean-Up Redemption Option] [Not Applicable] [(further particulars specified below)]

12.	Status of the Notes:		[Senior Preferred Notes//Senior Non-Preferred Notes/Subordinated Notes]
	(i)	Status of the Guarantee:	[Applicable] [Not Applicable] Senior
	(ii)	Date of Deed of Guarantee:	[•] (*N.B. For a guaranteed issuance, a separate Deed of Guarantee has to be entered into upon each issuance of Notes – see form of Deed of Guarantee in the Trust Deed*) (*N.B. If the issue is a fungible issue state that the issue will be covered by a Deed of Guarantee entered into on [date] in relation to the first issue of the Series*)
	(iii)	[Date [Board] approval for issuance of Notes [and Guarantee] obtained:	[[•] [and [•], respectively]/Not Applicable] (*N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee of the Notes*)

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13.	**Fixed Rate Note Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Rate(s) of Interest:	[•] per cent. per annum [payable [annually/semi-annually/quarterly/monthly] in arrear]
	(ii)	Interest Payment Date(s):	[•] in each year up to and including the Maturity Date [adjusted in accordance with (*specify Business Day Convention*[6] *and any applicable Additional Business Centre(s) for the definition of "Business Day"*)/[not adjusted]] (*N.B. This will need to be amended in the case of any long or short coupons.*)
	(iii)	Fixed Coupon Amount[(s)]:	[[•] per Calculation Amount]/(*insert the following alternative wording if Notes are issued in Renminbi*)[Each Fixed Coupon Amount shall be calculated by multiplying the product of the Rate of Interest and the Calculation Amount by the Day Count Fraction and rounding the resultant figure to the nearest CNY0.01, CNY0.05 being rounded upwards.]
	(iv)	Day Count Fraction:	[30/360] / [Actual/Actual (ICMA/ISDA)] / (*Insert for Renminbi denominated Fixed Rate Notes*) [Actual/365 (Fixed)]

[6] Modified Following Business Day Convention is applicable for Renminbi denominated fixed rate Notes.

(v)	Broken Amount(s):	[•] per Calculation Amount payable on the Interest Payment Date [in/on] [•] / [Not Applicable]
(vi)	Unmatured Coupons void:	Condition [10(f) of the Italian Law Notes in Physical Form] / [11(f) of the English Law Notes in Physical Form] (*Unmatured Coupons void*) is [Applicable/Not Applicable]
14.	**Floating Rate Note Provisions**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph. Also consider whether CMS, EURIBOR, SONIA, €STR, SARON or SOFR is the appropriate reference rate*)
(i)	Specified Period(s)/Specified Interest Payment Dates:	[•]
(ii)	First Interest Payment Date	[•]
(iii)	Business Day Convention:	[Floating Rate Convention/ Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention] [Not Applicable] (*Note that this item adjusts the end date of each Interest Period (and consequently, also adjusts the length of the Interest Period and the amount of interest due)). In relation to the actual date on which Noteholders are entitled to receive payment of interest, see also Conditions 11(g) and (n) (Payments on business days) and the defined term "Payment Business Day" of the Terms and Conditions of the English Law Notes, Conditions 10(g) and (n) (Payments on business days) and the defined term "Payment Business Day" of the Terms and Conditions of the Italian Law Notes and Conditions 10(g) and (n) (Payments on business days) and the defined term "Payment Business Day" of the Terms and Conditions of the Dematerialised Notes.*
(iv)	Additional Business Centre(s):	[Not Applicable/[•]]
(v)	Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination]
(vi)	Name and address of party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s)	[[Fiscal Agent][Principal Paying Agent]]/[*an institution other than the* [*Fiscal Agent*][*Principal Paying Agent*]] shall be the Calculation Agent (*no need to specify if the Principal Paying Agent is to perform this function*)] [Not Applicable]
(vii)	Screen Rate Determination:	[Applicable/Not Applicable] (If not applicable delete the remaining sub-paragraphs of this paragraph)
	• Reference Rate:	(*For example,* [EURIBOR Reference Rate] / [SONIA Reference Rate] / [SOFR Reference

	Rate] / [CMS Reference Rate] / [€STR Reference Rate] / [SARON Reference Rate]) Reference Currency: [•] Designated Maturity: [•]/[The CMS Rate having a Designated Maturity of [•] shall be CMS Rate 1 and the CMS Rate having a Designated Maturity of [•] shall be CMS Rate 2] (*Where more than one CMS Rate, specify the Designated Maturity for each relevant CMS Rate*)
• Observation Method:	[Lag / Observation Shift]
• Lag Period:	[5 / [ ] TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days/Not Applicable]
• Observation Shift Period	[5 / [ ] TARGET Settlement Days/U.S. Government Securities Business Days/London Banking Days /Not Applicable] (*NB: A minimum of 5 should be specified for the Lag Period or Observation Shift Period, or 2 U.S. Government Securities Business Days if SOFR Reference Rate, unless otherwise agreed with the Calculation Agent*)
• D:	[360/365/[ ]] / [Not Applicable]
• Relevant Screen Page:	(*For example, Reuters EURIBOR 01*) [(*In the case of a CMS Linked Interest Note, specify relevant screen page and any applicable headings and captions)*]
• Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/365] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [30E/360 – or Eurobond Basis] [30E/360 (ISDA)]
• Index Determination	[Applicable/Not Applicable]
• Interest Determination Date(s):	[•] (*In the case of a CMS Rate where the Reference Currency is euro*): [Second day on which the T2

		system is open prior to the start of each interest Period] (*In the case of a CMS Rate where the Reference Currency is other than euro):* [Second *(specify type of day)* prior to the start of each Interest Period]
	• Relevant Time:	(*For example, 11.00 a.m. London time/Brussels time*)
	• Relevant Financial Centre:	(*For example, London/Euro-zone (where Euro-zone means the region comprised of the countries whose lawful currency is the euro)*)
	• Reference Banks:	[•]
	• CMS Rate definitions:	[Cap means [•] per cent. per annum] [Floor means [•] per cent. per annum] [Leverage means [•] per cent.]
	• Provisions relating to the occurrence of a Regulatory Event in case of a Benchmark Event:	[Applicable/Not Applicable]
	• Provisions relating to the occurrence of a MREL Disqualification Event in case of a Benchmark Event:	[Applicable/Not Applicable]
(viii)	ISDA Determination:	[Applicable/Not Applicable] (If not applicable delete the remaining sub-paragraphs of this paragraph)
	• Floating Rate Option:	[•]
	• Designated Maturity:	[•]
	• Reset Date:	[•] (*In the case of a EURIBOR based option, the first day of the Interest Period.* [*In the case of a CMS Linked Interest Note, if based on euro then the first day of each Interest Period and] if otherwise to be checked*)
(ix)	2021 ISDA Definitions	[Applicable/Not Applicable] / [2006 ISDA Definitions / 2021 ISDA Definitions]
	• [Applicable Benchmark	[• / Not Applicable]
	• Fixing Day	[•]
	• Fixing Time	[•]
	• Any other terms relating to the 2021 ISDA Definitions	[• / Not Applicable]

	(x)	Margin(s):	[+/-][•] per cent. per annum [/ Not Applicable]
	(xi)	Minimum Rate of Interest:	[•] per cent. per annum
	(xii)	Maximum Rate of Interest:	[•] per cent. per annum
	(xiii)	Multiplier:	[•] / [Not Applicable]
	(xiv)	Reference Rate Multiplier:	[•] / [Not Applicable]
	(xv)	Day Count Fraction:	[Actual/Actual (ICMA)] [Actual/Actual (ISDA)] [Actual/365] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [30E/360 – or Eurobond Basis] [30E/360 (ISDA)]
15.	**Fixed-Floating Rate Note Provisions**		[Applicable/Not Applicable] [[•] per cent. Fixed Rate in respect of the Fixed Interest Period(s) ending on (but excluding) [•], then calculated in accordance with paragraph 14 above.]
16.	**Floating-Fixed Rate Note Provisions**		[Applicable/Not Applicable] [[(*Floating Rate)*] in respect of the Interest Period(s) ending on (but excluding) [•], then calculated in accordance with paragraph 13 above.]
17.	**Zero Coupon Note Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i)	Accrual Yield:	[•] per cent. per annum
	(ii)	Reference Price:	[•]
	(iii)	Any other formula/basis of determining amount payable:	(*Consider whether it is necessary to specify a Day Count Fraction for the purposes of Condition 11(i) (Early redemption of Zero Coupon Notes) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 10(i) of the Terms and Conditions of the Italian Law Notes in Physical Form (Early redemption of Zero Coupon Notes) and Condition 10(i) of the Terms and Conditions of the Dematerialised Notes (Early redemption of Zero Coupon Notes)))*

18.	**Inflation-Linked Note Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining subparagraphs of this paragraph*)
	(i)	Inflation Index:	[[CPI/RPI/HICP]]
	(ii)	Inflation Index Sponsor	[•] (*Specify the relevant Inflation Index Sponsor*)
	(iii)	Index Factor	[•] (*Specify the relevant Index Factor*) [Not Applicable]
	(iv)	Name and address of party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Principal Paying Agent):	[*name*] shall be the Calculation Agent (*no need to specify if the Principal Paying Agent is to perform this function*)
	(v)	Determination Date(s):	[•]
	(vi)	Interest or calculation period(s):	[•]
	(vii)	Specified Period(s)/Specified Interest Payment Dates:	[•]
	(viii)	Business Day Convention:	[Floating Rate Convention/ Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention] (*Note that this item adjusts the end date of each Interest Period (and, consequently, also adjusts the length of the Interest Period and the amount of interest due). In relation to the actual date on which Noteholders are entitled to receive payment of interest, see also Condition 11(g) and (n) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 10(g) and (n) of the Terms and Conditions of the Italian Law Notes in Physical Form (Payments on business days) and the defined term "Payment Business Day" and Condition 10(g) and (n) of the Terms and Conditions of the Dematerialised Notes (Payments on business days) and the defined term "Payment Business Day".*)
	(ix)	Additional Business Centre(s):	[•]
	(x)	Minimum Rate of Interest:	[•] per cent. per annum
	(xi)	Maximum Rate of Interest:	[•] per cent. per annum
	(xii)	Margin	[•] [*insert Margin* per cent. per annum] [Not Applicable]
	(xiii)	Day Count Fraction:	[•]
	(xiv)	Commencement Date of the Index:	[•] (*indicate the relevant commencement month of the retail price index*)
	(xv)	Reference Month:	[•]

	(xvi)	Reference Bond:	[•]
	(xvii)	Related Bond:	[Applicable/Not Applicable] The Related Bond is: [•] [Fallback Bond] The issuer of the Related Bond is: [•]
	(xviii)	Fallback Bond:	[Applicable]/[Not Applicable]
	(xix)	Cut-Off Date:	[As per Condition 8 of the Terms and Conditions of the English Law Notes in Physical Form / Condition 7 of the Terms and Conditions of the Italian Law Notes in Physical Form / Condition 7 of the Terms and Conditions of the Dematerialised Notes]/[*specify other*]
	(xx)	End Date:	[•] (This is necessary whenever Fallback Bond is applicable)
	(xxi)	Trade Date:	[•]
	(xxii)	Early Redemption Amount payable on redemption for Additional Disruption Event:	[Not Applicable] / [[•] per Calculation Amount]
19.	**Change of Interest Basis Provisions**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*) (*N.B. To be completed in addition to paragraphs 13 and 14 (as appropriate) if any fixed to floating or fixed reset rate change occurs*)
	(i)	Switch Options:	[Applicable] – [*specify details of the change(s) in Interest Basis and the relevant Interest Periods to which the change(s) in Interest Basis applies*]/[Not Applicable] (N.*B. The Issuer must give notice of the exercise of the Switch Option to Noteholders in accordance with Condition 19 of the Terms and Conditions of the English Law Notes in Physical Form, Condition 18 of the Terms and Conditions of the Italian Law Notes in Physical Form or Condition 18 of the Terms and Conditions of the Dematerialised Notes, as applicable, on or prior to the relevant Switch Option Expiry Date*)
	(ii)	Switch Option Expiry Date:	[•]
	(iii)	Switch Option Effective Date:	[•]
20.	(*only to be included if Notes are issued in Renminbi*) Party responsible for calculating the amount the Spot Rate pursuant to the Illiquidity, Inconvertibility or Non-transferability of Notes issued in Renminbi		[[•] shall be the Renminbi Calculation Agent][Not Applicable]

21.	**Reset Note Provisions:**	[Applicable/Not Applicable]
	(i) Initial Rate of Interest:	[ ] per cent. per annum payable in arrear [on each Interest Payment Date]
	(ii) First Margin:	[+/-][ ] per cent. per annum
	(iii) Subsequent Margin:	[[+/-][ ] per cent. per annum] [Not Applicable]
	(iv) Interest Payment Date(s):	[ ] [and [ ]] in each year up to and including the Maturity Date [until and excluding [ ]]
	(v) Fixed Coupon Amount up to (but excluding) the First Reset Date:	[[ ] per Calculation Amount][Not Applicable]
	(vi) Broken Amount(s):	[[ ] per Calculation Amount payable on the Interest Payment Date falling [in/on] [ ]][Not Applicable]
	(vii) First Reset Date:	[ ]
	(viii) Second Reset Date:	[ ]/[Not Applicable]
	(ix) Subsequent Reset Date(s)	[ ] [and [ ]]
	(x) Relevant Screen Page:	[●]/[Not Applicable]
	(xi) Mid-Swap Rate:	[Single Mid-Swap Rate/Mean Mid-Swap Rate]
	(xii) Mid-Swap Maturity	[ ]
	(xiii) Day Count Fraction:	[Actual/Actual / Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360/360/360/Bond Basis] [30E/360/Eurobond Basis] [30E/360 (ISDA)] [Actual/Actual ICMA]
	(xiv) Determination Dates:	[ ] in each year
	(xv) Business Centre(s):	[ ]
	(xvi) Calculation Agent:	[the Fiscal Agent] / [ ]

PROVISIONS RELATING TO REDEMPTION

22.	**Call Option**	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
	(i) Optional Redemption Date(s) (Call):	[•]
	(ii) Optional Redemption Amount(s) (Call) and method, if any, of calculation of such amount(s):	[•] per Calculation Amount
	(iii) Redemption in part:	[Applicable][Not Applicable]
	(iv) If redeemable in part:	

	(a)	Minimum Redemption Amount:	[•] per Calculation Amount
	(b)	Maximum Redemption Amount:	[•] per Calculation Amount
(v)	Notice period:		[•] (*N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent or Trustee.*)
23.	**[Put Option**		[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i)	Optional Redemption Date(s):		[•]
(ii)	Optional Redemption Amount(s):		[•] per Calculation Amount
(iii)	Notice period:		Minimum period: [•] days Maximum period: [•] days (*N.B. When setting notice periods, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing system (which require a minimum of 15 business days' notice for a put) and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent Trustee.*)]
24.	**[Clean-up Redemption Option**		[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Clean-up Percentage:		[75 per cent. / [•] per cent]
	(ii) Clean-Up Redemption Amount:		[•]
	(iii) Notice period (if different from the Conditions)		[Not less than [•] nor more than [•] days] / [Not Applicable – in line with Condition [9(h) of the Italian Law Notes in Physical Form] [9(h) of the Terms and Conditions of the Dematerialised Notes] [10(h) of the English Law Notes in Physical Form](*Clean-Up Redemption Option*)]
25.	**Regulatory Call**		[Applicable]/[Not Applicable]
26.	**Issuer Call due to a MREL Disqualification Event**		[Applicable]/[Not Applicable]
27.	**Final Redemption Amount**		[[•] per Calculation Amount]/[Inflation-Linked Note] (*for Inflation-Linked Notes, to be determined in accordance with Condition 8(a) of*

		the Terms and Conditions of the English Law Notes in Physical Form, Condition 7(a) of the Terms and Conditions of the Italian Law Notes in Physical Form or Condition 7(a) of the Terms and Conditions of the Dematerialised Notes (Inflation-Linked Note Provisions))
28.	**Early Redemption Amount**	
	(i) Early Redemption Amount(s) payable on redemption for Tax Event or Regulatory Event or MREL Disqualification Event:	[Not Applicable] / [[•] per Calculation Amount]/[As per Condition 10(b) of the Terms and Conditions of the English Law Notes in Physical Form, Condition 10(b) of the Terms and Conditions of the Italian Law Notes in Physical Form, or Condition 9(b) of the Terms and Conditions of the Dematerialised Notes] [See also paragraph 24 (*Regulatory Call*)] (*Delete this cross-reference unless the Notes are Subordinated Notes and the Regulatory Call is applicable*) [See also paragraph 25 (*Issuer Call due to a MREL Disqualification Event*)] (*Delete this cross-reference unless the Notes are Senior Preferred Notes or Senior Non-Preferred Notes and the Issuer Call due to a MREL Disqualification Event is applicable*)
	(ii) Notice period on redemption for tax reasons (if different from Condition [9(b) of the Italian Law Notes in Physical Form] [9(b) of the Terms and Conditions of the Dematerialised Notes] [10(b) of the English Law Notes in Physical Form](*Redemption for tax reasons*)):	[Not less than [•] nor more than [•] days] / [Not Applicable – in line with Conditions]
29.	**Early Redemption Amount (Tax)**	[Not Applicable] / [[•] per Calculation Amount]

GENERAL PROVISIONS APPLICABLE TO THE NOTES

30.	**Form of Notes**:	**Notes in Physical Form** **[Bearer Notes]** [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on 60 days' notice at any time/in the limited circumstances specified in the Permanent Global Note.] [Temporary Global Note exchangeable for Definitive Notes on 60 days' notice.] [Permanent Global Note exchangeable for Definitive Notes on 60 days' notice at any time/in the limited circumstances specified in the Permanent Global Note]. (*In relation to any issue of Notes which are "exchangeable to Definitive Notes" in*

		circumstances other than "in the limited circumstances specified in the Global Note", such Notes may only be issued in denominations equal to or greater than, €100,000 or, at the option of the Issuer.) **[Registered Notes]** [Global Registered Note registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg]/[a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))]] **[Dematerialised Notes]** [Dematerialised Notes held by Monte Titoli on behalf of the beneficial owners, until redemption or cancellation thereof, for the account of the relevant Monte Titoli Account Holders]
31.	New Global Note Form:	[Yes/No][Not Applicable]
32.	Additional Financial Centre(s):	[[•]/Not Applicable]
33.	Talons for future Coupons for Notes in Physical Form to be attached to Definitive Notes:	[Yes, as the Notes have more than 27 coupon payments, Talons may be required if, on exchange into definitive form, more than 27 coupon payments are still to be made/No]

Signed on behalf of the Issuer:

By: .....
Duly authorised

[Signed on behalf of the Guarantor:

By: .....
Duly authorised]

PART B – OTHER INFORMATION

LISTING AND ADMISSION TO TRADING

1.	(i)	Listing:	[Luxembourg/other (*specify*)/None]
	(ii)	Admission to trading:	[Application [has been/is expected to be] made for the Notes to be admitted to trading on [the regulated market of the Luxembourg Stock Exchange]/[•] with effect from [•].]/[Not Applicable.] (*Where documenting a fungible issue need to indicate that original Notes are already admitted to trading.*)
	(iii)	Estimate of total expenses related to admission to trading:	[•]]

2. **RATINGS**

Ratings: The Notes to be issued [[have been]/[are expected]/[are not expected]] to be rated:

[S & P's Global Ratings: [•]]

[Moody's: [•]]

[Fitch Ratings: [•]]

[DBRS Morningstar: [•]]

(Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.)

(*The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.*)

Option 1 - CRA established in the EEA and registered under the EU CRA Regulation and details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the UK CRA Regulation

[*Insert legal name of particular credit rating agency entity providing rating*] is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**"). [[*Insert legal name of particular credit rating agency entity providing rating*] appears on the latest update of the list of registered credit rating agencies (as of [*insert date of most recent list*]) on the ESMA website https://www.esma.europa.eu./]. [The rating [*Insert legal name of particular credit rating agency entity providing rating*] has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the UK and registered under Regulation (EC) No

1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").] /[[*Insert legal name of particular credit rating agency entity providing rating*] has been certified under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]/

[[*Insert legal name of particular credit rating agency entity providing rating*] has not been certified under Regulation (EC) No 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the UK and registered under the CRA Regulation (UK).]

Option 2 - CRA established in the EEA, not registered under the CRA Regulation but has applied for registration and details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the CRA Regulation (UK)

[*Insert legal name of particular credit rating agency entity providing rating*] is established in the EEA and has applied for registration under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the [relevant competent authority] /[European Securities and Markets Authority]. [[*Insert legal name of particular credit rating agency entity providing rating*] appears on the latest update of the list of registered credit rating agencies (as of [*insert date of most recent list*]) on the ESMA website https://www.esma.europa.eu./]. [The rating [*Insert legal name of particular credit rating agency entity providing rating*] has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").] /[[*Insert legal name of particular credit rating agency entity providing rating*] has been certified under Regulation (EU) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").]/ [[*Insert legal name of particular credit rating agency entity providing rating*] has not been certified under Regulation (EC) No 1060/2009, as it forms part of domestic law of

the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation.]

Option 3 - CRA established in the EEA, not registered under the EU CRA Regulation and not applied for registration and details of whether rating is endorsed by a credit rating agency established and registered in the UK or certified under the UK CRA Regulation

*[Insert legal name of particular credit rating agency entity providing rating] is established in the EEA and is neither registered nor has it applied for registration under Regulation (EC) No 1060/2009, as amended (the **"EU CRA Regulation"**). [[Insert legal name of particular credit rating agency entity providing rating] appears on the latest update of the list of registered credit rating agencies (as of [insert date of most recent list]) on the ESMA website https://www.esma.europa.eu./]. [The rating [Insert legal name of particular credit rating agency entity providing rating] has given to the Notes is endorsed by [insert legal name of credit rating agency], which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the **"UK CRA Regulation (UK)"**).] /[[Insert legal name of particular credit rating agency entity providing rating] has been certified under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the **"UK CRA Regulation"**).]/ [[Insert legal name of particular credit rating agency entity providing rating] has not been certified under Regulation (EC) No 1060/2009, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the **"UK CRA Regulation"**) and the rating it has given to the Notes is not endorsed by a credit rating agency established in the UK and registered under the UK CRA Regulation.]*

Option 4 - CRA established in the UK and registered under the UK CRA Regulation and details of whether rating is endorsed by a credit rating agency established and registered in the EEA or certified under the EU CRA Regulation

[Insert legal name of particular credit rating agency entity providing rating] is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European

*Union (Withdrawal) Act 2018 (the **"UK CRA Regulation"**). [[Insert legal name of particular credit rating agency entity providing rating] appears on the latest update of the list of registered credit rating agencies (as of [insert date of most recent list]) on [FCA]. [The rating [Insert legal name of particular credit rating agency entity providing rating] has given to the Notes to be issued under the Programme is endorsed by [insert legal name of credit rating agency], which is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the **"EU CRA Regulation"**).] [[Insert legal name of particular credit rating agency entity providing rating] has been certified under Regulation (EC) No 1060/2009, as amended (the **"EU CRA Regulation"**).] [[Insert legal name of particular credit rating agency entity providing rating] has not been certified under Regulation (EC) No 1060/2009, as amended (the **"UK CRA Regulation"**) and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EEA and registered under the EU CRA Regulation.]*

Option 5 - CRA not established in the EEA or the UK but relevant rating is endorsed by a CRA which is established and registered under the CRA Regulation (EU) AND/OR under the CRA Regulation (UK)

[*Insert legal name of particular credit rating agency entity providing rating]* is not established in the EEA or the UK but the rating it has given to the Notes to be issued under the Programme is endorsed by [[*insert legal name of credit rating agency*], which is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the **"EU CRA Regulation"**)][and*][[insert legal name of credit rating agency]*, which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the **"UK CRA Regulation")].**

Option 6 - CRA not established in the EEA or the UK and relevant rating is not endorsed under the CRA Regulation (EU) or the CRA Regulation (UK) but CRA is certified under the CRA Regulation (EU) AND/OR under the CRA Regulation (UK)

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA or the UK but is certified under [Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**")][and][Regulation (EC) No 1060/2009 as it forms part of domestic

law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**")].

Option 7 - CRA neither established in the EEA or the UK nor certified under the EU CRA Regulation or the UK CRA Regulation and relevant rating is not endorsed under the EU CRA Regulation or the UK CRA Regulation

[*Insert legal name of particular credit rating agency entity providing rating*] is not established in the EEA or the UK and is not certified under Regulation (EC) No 1060/2009, as amended (the "**EU CRA Regulation**") or Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in either the EEA and registered under the EU CRA Regulation or in the UK and registered under the UK CRA Regulation.

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE**

(*Need to include a description of any interest, including conflicting ones, that is material to the issue/offer, detailing the persons involved and the nature of the interest. May be satisfied by the inclusion of the following statement*)

Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. (*Amend as appropriate if there are other interests*)

(*When adding any other description, consideration should be given as to whether such matters described constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.*)

4. **USE OF PROCEEDS AND ESTIMATED NET AMOUNT OF PROCEEDS**

(i)	Use of Proceeds:	[•] See "Use of Proceeds" wording in Base Prospectus. *[If reasons for offer different from making profit general corporate purposes (for example for a Green Bond, a Climate Bond, a Social Bond, or an issuance of a Sustainability Bond, will need to include those reasons here.*)]
(ii)	Estimated net proceeds:	[•] [(*If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.*)]

5. ***Fixed Rate Notes only*** **YIELD**

Indication of yield: [•]/[Not Applicable]

6. ***Floating Rate Notes CMS Linked Interest Notes only***

HISTORIC INTEREST RATES

Details of historic [EURIBOR/SONIA/SOFR/CMS/€STR/SARON Rate] rates can be obtained from [Reuters]/ [•].

[Benchmarks

*Amounts payable under the Notes will be calculated by reference to [EURIBOR/SONIA/SOFR/CMS/€STR/SARON Rate] which is provided by [[European Money Markets Institute/The Bank of England/Federal Reserve Bank of New York/ICE Benchmark Administration/specify other]. As at [insert date] [European Money Markets Institute/The Bank of England/Federal Reserve Bank of New York/ ICE Benchmark Administration/specify other], [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of the EU Benchmarks Regulation (Regulation (EU) No. 2016/1011) (the "**BMR**").*

[As far as the Issuer is aware, [the Bank of England][the Federal Reserve of New York] [•] does/do] not fall within the scope of the BMR by virtue of Article 2 of that regulation] / [the transitional provisions in Article 51 of the EU Benchmark Regulation apply], such that [•] is not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).]]

7. **THIRD PARTY INFORMATION**

[(*Relevant third party information in respect of the Notes*) has been sourced from (*specify source*). [Each of] the Issuer [and the Guarantor] confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published by (*specify source*), no facts have been omitted which would render the reproduced information inaccurate or misleading.]

8. **OPERATIONAL INFORMATION**

ISIN Code:	[•]
Common Code:	[•]
CFI:	[•]/Not Applicable] as published on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.
FISN:	[[•]/Not Applicable] as published on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.

Intended to be held in a manner which would allow Eurosystem eligibility:	[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of Euroclear Bank SA/NV and/or Clearstream Banking, S.A. Luxembourg (the "**ICSD**s") as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper),][*include this text for registered notes held under the NSS structure*] and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.] **/** [No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.] (*Include this text if "Yes" selected, in which case the Notes must be issued in New Global Notes form*)
Any clearing system(s) other than Euroclear Bank SA/NV [,/and] Clearstream Banking, *société anonyme* and the relevant identification numbers:	[Not Applicable/(*give name(s), number(s) and addresses*)]
Delivery:	Delivery [against/free of] payment
Names and addresses of additional Paying Agent(s)(if any):	[•]/[Not applicable]
Deemed delivery of clearing system notices for the purposes of Condition 19 of the Terms and Conditions of the English Law Notes Condition 18 of the Terms and Conditions of the Italian Law Notes and Condition 18 of the Terms and Conditions of the Dematerialised Notes:	Any notice delivered to Noteholders through the clearing systems will be deemed to have been given on the [second] [business] day after the day on which it was given to [Euroclear and Clearstream, Luxembourg][Monte Titoli].

9. **REASONS FOR THE OFFER AND ESTIMATED NET AMOUNT OF PROCEEDS**

Reasons for the offer:	[ ] [See ["Use of Proceeds"] in Base Prospectus / Give Details] [*If reasons differ from what is disclosed in the Base Prospectus [including for green / social / sustainability bond*] give details here.]
Estimated net proceeds	[ ]

10. **DISTRIBUTION**

(i)	Method of distribution:	[Syndicated]/[Non-syndicated]
(ii)	If syndicated:	
	(A) Names of Managers	[Not Applicable/(*give names and addresses*)] (*Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.*)
	(B) Date of Subscription Agreement	[Not Applicable/(*give names and addresses*)]
	(C) Stabilisation Manager(s) (if any):	[Not Applicable/(*give name and addresses*)]
	[(D) Names and addresses of entities which have a firm commitment to act as intermediaries in secondary trading providing liquidity through bid and offer rates and description of the main terms of their commitment:]	[Not Applicable/(*give names and addresses*)]
(iii)	If non-syndicated, name and address of Dealer:	[Not Applicable/(*give names and addresses*)]
(iv)	U.S. Selling Restrictions:	Reg. S compliance category: [•] [TEFRA D] [TEFRA C] [TEFRA Not Applicable] [TEFRA Not Applicable for Dematerialised Notes]
(v)	Prohibition of Sales to EEA Retail Investors:	[Applicable /Not Applicable] (If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the EEA, "Not Applicable" should be

		specified. If the Notes may constitute "packaged" products and no key information document will be prepared, "Applicable" should be specified.)
(vi)	Prohibition of Sales to UK Retail Investors:	[Applicable]/[Not Applicable] (If the Notes clearly do not constitute "packaged" products, or the Notes do constitute "packaged" products and a key information document will be prepared in the UK, "Not Applicable" should be specified. If the Notes may constitute "packaged" products, "Applicable" should be specified.)

USE OF PROCEEDS

The net proceeds of the issue of each Tranche of Notes will be used, as indicated in the relevant Final Terms or Drawdown Prospectus, relating to the relevant Tranche of Notes, for general funding purposes of the Intesa Sanpaolo Group, or as otherwise indicated in the relevant Final Terms or Drawdown Prospectus relating to the issuance, to finance or refinance Eligible Loans (*i.e.*, projects identified as such in the Green, Social and Sustainability Bond Framework, as defined below, possibly including climate projects, certified as such by the Climate Bonds Standard and Certification Scheme).

In accordance with the ICMA Green Bond Principles (GBP), the ICMA Social Bond Principles (SBP) and the ICMA Sustainability Bond Guidelines (SBG), only Notes financing or refinancing Eligible Loans, and complying with the relevant eligibility criteria and any other criteria set out in the Green, Social and Sustainability Bond Framework (as defined hereinafter) and which, prior to the relevant Issue Date, will be available in the investor relations section of the Issuers' website at https://group.intesasanpaolo.com/en/sustainability/environment/green-products/Green-bonds (the "**Green, Social and Sustainability Bond Framework**" or the "**Framework**", including as amended, restated or otherwise updated on such website from time to time) will be classified as Green Bonds, Social Bonds or, as the case may be, Sustainability Bonds.

The Issuer has obtained a second-party opinion to confirm the Green, Social and Sustainability Bond Framework's validity and its general alignment with the GBP, the SBP and the SBG, as well as an assessment on compliance with the EU Taxonomy Delegated Acts 2021 on a best effort basis and which, prior to the relevant Issue Date, will be available in the investor relations section of the Issuer's website at https://group.intesasanpaolo.com/content/dam/portalgroup/repository-documenti/sostenibilt%C3%A0/inglese/2022/green-bond-2022/Second%20Party%20Opinion%20ISS%20June%202022.pdf
(the "**Issuer's Sustainability Bond Framework Second-party Opinion**").

Eligible Green Loans have been (or will be, as the case may be) selected by the Issuer from time to time in accordance with the categorization of eligibility for Green Bonds, Social Bonds or Sustainability Bonds set out in the Green, Social and Sustainability Bond Framework, which may change from time to time. Recognizing that the green, social and sustainability bond market and best practices are still evolving, the Issuer will strive to monitor market developments and, when deemed necessary in the Issuer's sole discretion, make appropriate updates to the Framework in order to reflect best market practice.

The selection process of eligible green and social loans is structured and fully integrated in Intesa Sanpaolo's existing investment process. Internal roles and responsibilities are defined as follows:

- the analysis of loans eligibility is managed by the dedicated business teams of the Group;
- the Credit Evaluation function of each dedicated lending desk evaluates client's reputation and creditworthiness; and
- then dedicated lending desk approves the disbursements to be made.

The allocation of proceeds from Eligible Loans will be managed and overseen by the Issuer according to the applicable specific procedures as described in the Framework, including treasury liquidity portfolio, Cash, Time Deposit with Banks or Other form of available short term and medium / long term funding sources (e.g. Commercial Paper Program, Bank Credit Line), that do not include GHG intensive activities (i.e. related to fossil fuels exploitation and to carbon intensive assets such as infrastructure dependent on fossil fuels; fossil fuel-fired power plants; high-carbon assets) nor any disputable sector/activity (Animal maltreatment, Alcohol21, Armament, Hazardous chemicals, Gambling, Intensive agro-industrial activities with intensive use of agrochemicals or which entail deforestation, Nuclear energy, Sex industry, Tobacco). In case of early loan reimbursement or if a loan no longer meets the eligibility criteria, Intesa Sanpaolo will

use the net proceeds to finance other Eligible Loans which are compliant with the eligibility criteria of the Framework.

The Framework provides that any proceeds not allocated to fund Eligible Loans in the portfolio will be held in accordance with Intesa Sanpaolo's normal liquidity management. The allocation of the net proceeds of Eligible Loans will be verified by the Issuer's external auditor.

The Issuer intends to publish a yearly report which will describe the use of proceeds set out in the Framework. The allocation report will include the (i) total amount of Intesa Sanpaolo Green, Social and Sustainability bonds outstanding; (ii) total amount of the portfolios broken down per eligible category; (iii) aggregate amounts of net proceeds allocated to each eligible category of the portfolios; (iii) balance of unallocated proceeds at the time of reporting; (iv) amount or the percentage of new financing, and will be made available on the Issuer's website at https://group.intesasanpaolo.com/it/sostenibilita/reporting-di-sostenibilita/green-bond-report

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Issuer, including the Issuer's Sustainability Bond Framework Second-party Opinion) which may be made available in connection with the issue of any Green Bonds, Social Bonds or Sustainability Bonds and in particular with any Eligible Loans to fulfil any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, neither any such opinion or certification (including the Issuer's Sustainability Bond Framework Second-party Opinion) nor the Framework are, nor shall be deemed to be, incorporated in and/or form part of this Base Prospectus. Neither such opinion or certification (including the Issuer's Sustainability Bond Framework Second-party Opinion) nor the Framework are, nor should be deemed to be, a recommendation by the Issuer or any of the Dealers or any other person to buy, sell or hold any such Green Bonds, Social Bonds or Sustainability Bonds. Any such opinion or certification is only current as at the date that opinion or certification was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification (including the Issuer's Sustainability Bond Framework Second-party Opinion) and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in such Green Bonds, Social Bonds or Sustainability Bonds. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. Prospective investors in any Green Bonds, Social Bonds or Sustainability Bonds should also refer to the risk factor above headed, "*Notes issued, if any, as "Green Bonds", "Social Bonds", "Sustainability Bonds" or "Climate Bonds" may not be a suitable investment for all investors seeking exposure to green assets or social assets or sustainable assets".*

DESCRIPTION OF INTESA SANPAOLO S.P.A.

History and Organisation of the Group

Intesa Sanpaolo Origins

Intesa Sanpaolo is the result of the merger by incorporation of Sanpaolo IMI S.p.A. with Banca Intesa S.p.A. (effective 1 January 2007).

Banca Intesa S.p.A.

Banca Intesa S.p.A. was originally established in 1925 under the name of La Centrale and invested in the business of the production and distribution of electricity. After the nationalisation of companies in this sector in the early 1960s, the company changed its name to La Centrale Finanziaria Generale, acquiring equity investments in various companies in the banking, insurance and publishing sector. The company merged by incorporation with Nuovo Banco Ambrosiano in 1985 and assumed its name and constitutional objects. Following the acquisition of Cassa di Risparmio delle Provincie Lombarde S.p.A. ("**Cariplo**") in January 1998, the Intesa Sanpaolo Group's name was changed to Gruppo Banca Intesa. Then, in 2001, Banca Commerciale Italiana S.p.A. was merged into Gruppo Banca Intesa and the Intesa Sanpaolo Group's name was changed to "Banca Intesa Banca Commerciale Italiana S.p.A.". On 1 January 2003 the corporate name was changed to "Banca Intesa S.p.A.".

Sanpaolo IMI S.p.A.

Sanpaolo IMI S.p.A. ("**Sanpaolo IMI**") was formed in 1998 through the merger of Istituto Mobiliare Italiano S.p.A. ("**IMI**") and Istituto Bancario San Paolo di Torino S.p.A. ("**Sanpaolo**").

Sanpaolo originated from the "Compagnia di San Paolo" brotherhood, which was set up in 1563 to help the needy. The "Compagnia di San Paolo" began undertaking credit activities and progressively developed into a banking institution during the nineteenth century, becoming a public law credit institution (Istituto di Credito di Diritto Pubblico) in 1932. Between 1960 and 1990, Sanpaolo expanded its network nationwide through a number of acquisitions of local banks and medium-sized regional banks, ultimately reaching the level of a multifunctional group of national importance in 1991 after its acquisition of Crediop. On 31 December 1991, Sanpaolo became a stock corporation (*società per azioni*) with the name Istituto Bancario San Paolo di Torino Società per Azioni.

IMI was established as a public law entity in 1931 and during the 1980s it developed its specialist credit and investment banking services and, with Banca Fideuram, its professional asset management and financial consultancy services. IMI became a joint stock corporation (società per azioni) in 1991.

The merger between Banca Intesa and Sanpaolo IMI and the creation of Intesa Sanpaolo S.p.A.

The boards of directors of Banca Intesa and Sanpaolo IMI unanimously approved the merger of Sanpaolo IMI with Banca Intesa on 12 October 2006 and the merger became effective on 1 January 2007. The surviving entity changed its name to Intesa Sanpaolo S.p.A., the parent company of the Intesa Sanpaolo Group.

Merger of Banca IMI

Intesa Sanpaolo announced on 2 April 2020 that following authorization given by the European Central Bank, the plan for the merger by incorporation of Banca IMI S.p.A. into Intesa Sanpaolo was filed with the Companies Register of Turin. The merger, which was approved by the Board of Directors of Intesa Sanpaolo on 5 May 2020 and by the shareholders' meeting of Banca IMI S.p.A., was completed on 20 July 2020.

UBI Banca S.p.A.

Unione di Banche Italiane S.p.A. ("**UBI Banca**") is the entity resulting from the merger by incorporation of Banca Lombarda e Piemontese S.p.A. into Banche Popolari Unite S.c.p.a. (the "**Merger**"). The Merger became legally effective on 1 April 2007, with the surviving entity, BPU, changing its name to UBI Banca. On 12 October 2015, UBI Banca was the first Italian *banca popolare* to become a Joint Stock Company (S.p.A.). On 12 April 2019, the ordinary shareholders' meeting of UBI Banca appointed a Board of

Directors and a Management Control Committee for the three-year period 2019-2020-2021, implementing the one-tier governance model adopted on 19 October 2018 through the resolution of a shareholders' meeting in extraordinary session.

The merger between Intesa Sanpaolo and UBI Banca

Intesa Sanpaolo acquired the control of UBI Banca on 5 August 2020 and merged it by incorporation on 12 April 2021.

Legal Status

Intesa Sanpaolo is a company limited by shares, incorporated in 1925 under the laws of Italy and registered with the Companies' Registry of Turin under registration number 00799960158. It is also registered on the National Register of Banks under no. 5361 and is the parent company of "Gruppo Intesa Sanpaolo".
Registered Office

Intesa Sanpaolo's registered office is at Piazza San Carlo 156, 10121 Turin (Italy) and its telephone number is +39 0115551. Intesa Sanpaolo's secondary office is at Via Monte di Pietà 8, 20121 Milan (Italy).

Website

Intesa Sanpaolo's website is https://group.intesasanpaolo.com. The information on the website does not form part of this Base Prospectus unless information contained therein is incorporated by reference into this Base Prospectus.

Intesa Sanpaolo mission

The purpose of Intesa Sanpaolo is the deposit-taking and the carrying-on of all forms of lending activities, both directly and through its subsidiaries. Intesa Sanpaolo may, in compliance with laws and regulations applicable from time to time and subject to being granted the required authorisations, directly and through its subsidiaries, provide all banking and financial services, including the establishment and management of open-ended and closed-ended pension schemes, as well as carry out any other transactions that are instrumental for, or related to, the achievement of its corporate purpose.

Ratings

The long-term credit ratings assigned to Intesa Sanpaolo, all with Stable Outlook/Trend, are the following:

- BBB (high) by DBRS Ratings GmbH ("**DBRS Morningstar**");
- BBB by Fitch Ratings Ireland Limited ("**Fitch Ratings**");
- Baa1 by Moody's Investors Service España, S.A. ("**Moody's**"); and
- BBB by S&P Global Ratings Europe Limited ("**S&P Global Ratings**").

Each of DBRS Morningstar, Fitch Ratings, Moody's and S&P Global Ratings is established in the EEA and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**") and appears on the latest update of the list of registered credit rating agencies (as of 27 March 2023) on the ESMA website https://www.esma.europa.eu/supervision/credit-rating-agencies/risk.

The rating (i) Moody's will give to the Notes is endorsed by Moody's Investors Service Ltd, (ii) S&P Global Ratings will give to the Notes is endorsed by S&P Global Ratings UK Limited, (iii) Fitch Ratings will give to the Notes is endorsed by Fitch Ratings Ltd, and (iv) DBRS Morningstar will give to the Notes is endorsed by DBRS Ratings Limited, each of which is established in the UK and registered under Regulation (EC) No 1060/2009 as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "**UK CRA Regulation**").

Share Capital

At September 2023 the subscribed and paid-in share capital of Intesa Sanpaolo's amounts to €10,368,870,930.08, represented by 18,282,798,989 ordinary shares without nominal value.

The Issuers are not aware of any arrangements currently in place, the operation of which may at a subsequent date result in a change of control of any of the Issuers.

Organisational Structure of the Divisions (last updated on 1 December 2023)

Managing Director and CEO
C. Messina

Banca dei Territori(*) Division	IMI Corporate & Investment Banking Division	International Subsidiary Banks Division	Private Banking Division	Asset Management Division	Insurance Division
S. Barrese	M. Micillo	M. E. Rottigni	T. Corcos	S. Perissinotto	N.M. Fioravanti
Intesa Sanpaolo;	Banca Intesa (**);	Banca Intesa Beograd;	Fideuram;	Epsilon SGR;	Fideuram Vita;
Isybank	Intesa Sanpaolo Bank Ireland;	Bank of Alexandria;	Fideuram Asset Management Ireland;	Eurizon Asset;	InSalute Servizi;
	Intesa Sanpaolo Bank Luxembourg;	CIB Bank;	Fideuram-Intesa Sanpaolo Private Banking Asset Management;	Management Croatia;	Intesa Sanpaolo Assicura;
	Intesa Sanpaolo Brasil	Eximbank;	Intesa Sanpaolo Private Banking;	Eurizon Asset Management Hungary;	Intesa Sanpaolo Insurance Agency;
		Intesa Sanpaolo Bank (***);	Intesa Sanpaolo Wealth Management;	Eurizon Asset Management Slovakia;	Intesa Sanpaolo RBM Salute;
		Intesa Sanpaolo Bank Albania;	IW Private Investments;	Eurizon Capital;	Intesa Sanpaolo Vita
		Intesa Sanpaolo Bank Romania;	Reyl Intesa Sanpaolo;	Eurizon Capital Asia Limited;	
		Intesa Sanpaolo Banka Bosna i Hercegovina;	SIREF Fiduciaria	Eurizon Capital Real Asset SGR;	
		Pravex Bank;		Eurizon Capital S.A.;	
		Privredna Banka Zagreb;		Eurizon SLJ Capital LTD	
		VUB Banka			

(*) Domestic commercial banking
(**) Russian Federation
(***) Slovenia

The Intesa Sanpaolo Group is one of the top banking groups in Europe with a significant ESG commitment, a world-class position in Social Impact and strong focus on climate.

The Intesa Sanpaolo Group is a banking group in Italy with 13.6 million customers and over 3,300 branches.

The Intesa Sanpaolo Group is a provider of financial products and services to both households and enterprises in Italy.

The Group has a strategic international presence, with over 900 branches and 7.2 million customers. It is among the top players in several countries in Central Eastern Europe and in the Middle East and North Africa, through its local subsidiary banks: the Intesa Sanpaolo Group ranks first in Serbia, second in Croatia and Slovakia, fourth in Albania and Slovenia, sixth in Bosnia and Herzegovina and Egypt, seventh in Moldova and eighth in Hungary.

As at 30 September 2023, the Intesa Sanpaolo Group had total assets of €947,134 million, customer loans of €433,710 million, direct deposits from banking business of €557,884 million and direct deposits from insurance business of €167,975 million.

The Intesa Sanpaolo Group operates through six divisions:

(a) The **Banca dei Territori division**: focuses on the market and centrality of the territory for stronger relations with individuals, small and medium-sized enterprises and non-profit entities. The division includes the activities in industrial credit, leasing and factoring, as well as the digital bank Isybank (which also operates in instant banking through Mooney, the partnership with the ENEL Group).

(b) The **IMI Corporate & Investment Banking division**: a global partner which, taking a medium-long term view, supports corporates, financial institutions and public administration, both nationally and internationally. Its main activities include capital markets and investment banking. The division is present in 25 countries where it facilitates the cross-border activities of its customers through a specialist network made up of branches, representative offices and subsidiary banks focused on corporate banking.

(c) The **International Subsidiary Banks division**: includes the following commercial banking subsidiaries: Intesa Sanpaolo Bank Albania in Albania, Intesa Sanpaolo Banka Bosna i Hercegovina in Bosnia and Herzegovina, Privredna Banka Zagreb in Croatia, the Prague branch of VUB Banka in the Czech Republic, Bank of Alexandria in Egypt, Eximbank in Moldova, CIB Bank in Hungary, Intesa Sanpaolo Bank Romania in Romania, Banca Intesa Beograd in Serbia, VUB Banka in Slovakia, Intesa Sanpaolo Bank in Slovenia and Pravex Bank in Ukraine.

(d) The **Private Banking division**: serves the customer segment consisting of Private clients and High Net Worth Individuals with the offering of products and services tailored for this segment. The division includes Fideuram - Intesa Sanpaolo Private Banking with 6,722 private bankers.

(e) The **Asset Management division**: asset management solutions targeted at the Intesa Sanpaolo Group's customers, commercial networks outside the Intesa Sanpaolo Group, and institutional clientele. The division includes Eurizon with €301 billion of assets under management.

(f) The **Insurance division**: insurance and pension products tailored for the Intesa Sanpaolo Group's clients. The division holds direct deposits of €168 billion and includes Intesa Sanpaolo Vita - which controls Intesa Sanpaolo Assicura, Intesa Sanpaolo RBM Salute, Intesa Sanpaolo Insurance Agency and InSalute Servizi - and Fideuram Vita.

Intesa Sanpaolo in the last two years

Intesa Sanpaolo in 2022 – Highlights

INTESA SANPAOLO comfortably meets the capital requirement set by the ECB

On 3 February 2022 Intesa Sanpaolo announced that it had received notification of the ECB's final decision concerning the capital requirement that the Bank has to meet, on a consolidated basis, as of 1 March 2022, following the results of the Supervisory Review and Evaluation Process (SREP).

The overall capital requirement the Bank has to meet in terms of Common Equity Tier 1 ratio is 8.81%.

This is the result of:

- a SREP requirement in terms of Total Capital ratio of 9.79% comprising a minimum Pillar 1 capital requirement of 8%, of which 4.5% is Common Equity Tier 1 ratio, and an additional Pillar 2 capital requirement of 1.79%, of which 1.01% is Common Equity Tier 1 ratio applying the regulatory amendment introduced by the ECB and effective from 12 March 2020;
- additional requirements, entirely in terms of Common Equity Tier 1 ratio, relating to:
  - a Capital Conservation Buffer of 2.5%,
  - an O-SII Buffer (Other Systemically Important Institutions Buffer) of 0.75%,
  - a Countercyclical Capital Buffer of 0.05%[7].

As announced on 3 February 2022 relating to the ECB final decision, Intesa Sanpaolo's capital ratios as at 30 September 2021 on a consolidated basis - after the deduction from capital of €1,932m of reserves distributed in October 2021, €2,804m of dividends accrued in 9M 2021 (of which €1,399m paid as an interim dividend in November 2021[8]) and the coupons accrued on the Additional Tier 1 issues - were as follows:

- 14.3% in terms of Common Equity Tier 1 ratio,
- 19% in terms of Total Capital ratio,

calculated by applying the transitional arrangements for 2021;

- 13.8% in terms of Common Equity Tier 1 ratio,
- 18.8% in terms of Total Capital ratio, calculated on a fully loaded basis;
- 15.1% in terms of *pro-forma* Common Equity Tier 1 ratio calculated on a fully loaded basis[9],
- 20.3% in terms of *pro-forma* Total Capital ratio calculated on a fully loaded basis.

Ordinary Shareholders' Meeting

On 29 April 2022, the Shareholders' Meeting of Intesa Sanpaolo was held, validly constituted, on single call, to pass resolutions as those in attendance through the appointed representative – in accordance with Article 106, paragraph 4, of Law Decree 18 dated 17 March 2020, converted by Law 27 dated 24 April 2020, as subsequently amended – counted 2,901 holders of voting rights attached to 10,884,970,586 ordinary shares without nominal value equal to 56.02013% of the share capital. The Shareholders' Meeting voted in favour of all the items on the agenda.

In the ordinary session, the resolutions concerned the 2021 Financial Statements, the distribution of the dividend and part of the share premium reserve; the appointment of the members of the Board of Directors

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7 Calculated taking into account the exposure as at 30 September 2021 in the various countries where the Group has a presence, as well as the respective requirements set by the competent national authorities and relating to 2023, where available, or the most recent update of the reference period (requirement was set at zero per cent in Italy for 1Q 2022).

8 Net of the portion not distributed to own shares held by the Bank at the record date.

9 Estimated by applying the fully loaded parameters to the financial statements as at 30 September 2021, taking into account the total absorption of deferred tax assets (DTAs) related to goodwill realignment, loan adjustments, the first time adoption of IFRS 9 and the non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the Aggregate Set of Banca Popolare di Vicenza and Veneto Banca, as well as the expected absorption of DTAs on losses carried forward and DTAs on the acquisition of UBI Banca, and the expected distribution on the 9 months 2021 net income of insurance companies.

and of the Management Control Committee for the years 2022-2023-2024; the remuneration policies and incentive plans; and own share buybacks to service the incentive plans and for market operations.

In the extraordinary session, the resolutions concerned the annulment of own shares without reducing the share capital and the consequent amendment of Article 5 (Share Capital) of the Articles of Association, as well as the mandate to the Board of Directors to approve a share capital increase without payment and with payment to service the approved incentive plans.

Long-Term incentive plans

With specific regard to the delegated powers approved by the Shareholders' Meeting of 29 April 2022 for share capital increases to service the incentive plans authorised in the ordinary session, it should be noted that, in order to maximise the key role of the Group's employees in achieving the objectives of the 2022-2025 Business Plan, approved by the Board of Directors of the Bank on 4 February 2022, through a broad-based shareholding in the capital of the Bank, on 15 February the Parent Company's Board of Directors had resolved to submit the following two long-term incentive plans to the Shareholders' Meeting, based on financial instruments of Intesa Sanpaolo and reserved for all Group employees:

- the 2022-2025 Performance Share Plan, reserved for Group's Management, which provides for the assignment of newly issued ordinary shares of Intesa Sanpaolo deriving from a share capital increase without payment, subject to performance conditions in relation to specific key objectives to be achieved over the course of the Business Plan;

- the 2022-2025 Leveraged Employee Co-Investment Plan LECOIP 3.0, reserved for employees of the Group in Italy, belonging to the Professional clusters, which provides for: i) the assignment of newly issued ordinary shares of Intesa Sanpaolo deriving from a share capital increase without payment (Free Shares) for an amount equivalent to the Variable Result Bonus advance for 2022 (employees may opt to receive the advance in cash and, therefore, not to participate in LECOIP 3.0); ii) the assignment, free of charge, of additional shares in exchange for the same share capital increase without payment (Matching Shares) based on the role held and seniority; iii) the subscription, in set proportions with respect to the free shares received, of newly issued ordinary Intesa Sanpaolo shares deriving from a share capital increase with payment reserved for employees, at a discounted issue price (Discounted Shares) against market value.

On 13 June 2022, the period ended for exercising the right to withdraw from the subscription to the offer, expired on 30 May 2022, of the Certificates issued by J.P. Morgan and reserved for Professionals employed by the Group in Italy under the 2022-2025 LECOIP 3.0 Plan. A total of 45,629 employees, corresponding to 66.43% of those eligible, have participated in LECOIP 3.0 for a countervalue of the assigned shares (Free Shares and Matching Shares) of 139,931,221 euro.

On 21 June 2022, Intesa Sanpaolo's Board of Directors exercised the authority granted to it by the Shareholders' Meeting for capital increases in favour of the Group's employees to service the implementation of the 2022-2025 LECOIP 3.0 Plan. More specifically, the following were approved:

- a share capital increase without payment for a maximum amount of 350,000,000 euro, through the issue of a maximum number of 160,000,000 Intesa Sanpaolo ordinary shares, having the same characteristics as those already outstanding and with regular dividend entitlement;

- a share capital increase with payment, with the exclusion of the option right pursuant to Article 2441, paragraph 8, of the Italian Civil Code, for a maximum amount, net of a discount at issue, of 850,000,000 euro, through the issue of a maximum number of 387,000,000 Intesa Sanpaolo ordinary shares, with the same characteristics as the shares already outstanding and with regular dividend entitlement, applying a maximum discount of 19.5% to the stock market price calculated as the average of the prices recorded in the 30 days prior to the issue date.

On 30 June 2022, on the basis of the average price of the shares of Intesa Sanpaolo recorded on each business day in the 30 preceding calendar days – equal to 1.9080 euro – a total of 33,745,462 Free Shares, 39,591,828 Matching Shares, and 386,972,658 Discounted Shares subscribed were assigned to the Group's employees. Consequently, 73,337,290 Certificates issued by J.P. Morgan, i.e. financial instruments corresponding to the abovementioned sum of Free Shares plus Matching Shares, were assigned to Group employees.

The following was also carried out on the same day:

- the implementation of:
  - a share capital increase without payment – pursuant to Article 2349, paragraph 1 of the Italian Civil Code - for 83,200,000 euro, through the issue of 160,000,000 Intesa Sanpaolo ordinary shares, using of the Extraordinary Reserve;
  - a share capital increase with payment, with the exclusion, pursuant to Article 2441, paragraph 8 of the Italian Civil Code, of the option right in favour of the Intesa Sanpaolo Group's employees, for an amount of 201,225,782.16 euro, through the issue of 386,972,658 Intesa Sanpaolo ordinary shares at a price of 1.5671 euro (applying a discount of 17.867% to the abovementioned arithmetic average of the VWAP recorded in the preceding 30 calendar days), of which 0.52 euro to be allocated to share capital and 1.0471 euro to share premium;
- for the Performance Share Plan, the assignment of rights to the managers that, at the end of the Plan, will accrue in Intesa Sanpaolo shares, subject to the satisfaction of the conditions envisaged in the related rules and in compliance with the number and value limits established by the Shareholders' Meeting of 29 April 2022.

A total of 546,972,658 ordinary Intesa Sanpaolo shares were therefore issued without nominal value, having regular entitlement as coupon 47. Intesa Sanpaolo's share capital consequently increased from 10,084,445,147.92 euro (represented by 19,430,463,305 ordinary shares) to 10,368,870,930.08 euro, divided into 19,977,435,963 ordinary shares without nominal value.

The capital increase with payment led to an increase in the Intesa Sanpaolo Group's consolidated shareholders' equity of 606.4 million euro, of which 201.2 million euro in share capital and 405.2 million euro in share premium reserve.

INTESA SANPAOLO launched buyback approved by the Shareholders' meeting of 29 April 2022 and authorized by the ECB

On 24 June 2022, following the ECB decision, which authorises the purchase of own shares for annulment (buyback) for a maximum total outlay of 3,400 million euro and a number of shares not exceeding 2,615,384,615 Intesa Sanpaolo ordinary shares – as approved by the Shareholders' Meeting of 29 April 2022 and already disclosed to the market – the Board of Directors of Intesa Sanpaolo, made the resolution to execute the purchase carrying out an initial programme for an outlay of 1,700 million euro, and to defer to a subsequent date, by the time the results as at 31 December 2022, the decisions regarding the execution for the remaining authorised amount.On the dates of 3 August, 7 September and 14 October 2022, the own shares purchased during the period from 4 July to 29 July 2022 (322,814,884 shares), 1 August to 2 September 2022 (387,343,682 shares) and 5 September to 11 October 2022 (278,474,237 shares), respectively, were annulled. As a result, the share capital (which before the launch of the programme was divided into 19,977,435,963 ordinary shares without nominal value) changed its composition, due to the reduction in the number of shares constituting it, while its amount remained unchanged at 10,368,870,930.08 euro.

On 3 February 2023 the Board of Directors of Intesa Sanpaolo resolved to implement the execution of the remaining part of the programme for a maximum outlay of 1,700 million euro and a number of shares not exceeding 1,626,751,812.

The purchases started on 13 February 2023 and ended on 4 April 2023. During the period, a total of 706,004,171 shares were purchased, equal to around 3.72% of the share capital outstanding at the end of the programme, at an average purchase price of 2.4079 euro per share, for a total countervalue of 1,699,999,999.33 euro.

The transactions took place on the regulated market Euronext Milan managed by Borsa Italiana through the third-party intermediary appointed to execute the programme, in full independence and without any involvement of the Intesa Sanpaolo Group, in compliance with the terms authorised by the Intesa Sanpaolo Shareholders’ Meeting of 29 April 2022.

The annulment of the shares took place on 2 May 2023. While the share capital remained unchanged at 10,368,870,930.08 euro, the number of ordinary shares with no nominal value decreased from 18,988,803,160 to 18,282,798,989. The Articles of Association amended to reflect said annulment were filed with the Turin Company Register on 3 May 2023.

Intesa Sanpaolo launched ordinary share buy-back programme for free assignment to employees

From 12 to 14 September 2022, on the other hand, a share buyback programme was implemented to service plans of assignment, free of charge, of Intesa Sanpaolo ordinary shares to the employees and the Financial Advisors of the Group[10]. The purchases relate to: (i) the Intesa Sanpaolo Group share-based incentive plan for 2021 reserved for Risk Takers who accrue a bonus in excess of the so-called "materiality threshold"[11], as well as for those who are paid a "particularly high" amount[12], and for those who, among Middle Management or Professionals that are not Risk Takers, accrue "relevant bonuses"[13]; (ii) the Privredna Banka Zagreb (PBZ) Group share-based incentive plan for 2021 and the outstanding portions in financial instruments deriving from previous plans; (iii) the long-term incentive plans reserved for the Financial Advisors of the Networks of the Fideuram - Intesa Sanpaolo Private Banking Group. In addition, the programme is implemented in order to grant, when certain conditions occur, severance payments upon early termination of employment.

In the three days during which the programme was executed, a total of 46,216,652 Intesa Sanpaolo ordinary shares were purchased, through the IMI Corporate & Investment Banking Division. These represent around 0.24% of the share capital of the Parent Company. The average price was 1.8932 euro per share, for a total countervalue of 87,496,321.48 euro. The Parent Company purchased 12,967,930 shares at an average price of 1.8938 euro per share, for a countervalue of 24,558,315.42 euro.

The transactions were executed in compliance with provisions included in Articles 2357 and following and 2359-*bis* and following of the Italian Civil Code and within the limits determined in the resolutions passed by the competent corporate bodies. Specifically, in the case of the Parent Company Intesa Sanpaolo, in accordance with the terms approved by the Shareholders' Meeting of 29 April 2022.

Pursuant to Article 132 of the Consolidated Law on Finance and Article 144-*bis* of the Issuers' Regulation and subsequent amendments, purchases were executed on the regulated market Euronext Milan managed by Borsa Italiana in accordance with trading methods laid down in the market rules for these transactions.

Moreover, purchases were arranged in compliance with the conditions and the restrictions under Article 5 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014, and Articles 2, 3, and 4 of Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016.

The number of shares purchased daily did not exceed 25% of the daily average volume of the Intesa Sanpaolo ordinary shares traded in August 2022, which was equal to 108.1 million shares, and 15% of the volume traded on the Euronext Milan market on each of the days when purchases were executed - in accordance with the constraint added in the programme to the above-mentioned regulatory conditions and restrictions.

November 2022 Dividend

On 4 November 2022 Intesa Sanpaolo decided to distribute an interim dividend on the 2022 results equal to €7.38 cents per share, before tax, corresponding to €1,401 million in aggregate. The decision was based on the absence of limitations to dividend distributions, including recommendations from the regulators regarding capital requirements applicable to Intesa Sanpaolo, as well as on the basis of Intesa Sanpaolo's

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10 During the period of execution of the programme, the purchases of own shares for annulment (buybacks) were suspended.

11 Equal to 50 thousand euro or one third of the total remuneration (unless otherwise provided for by specific local regulations).

12 Pursuant to the Group Remuneration and Incentive Policies, for the three-year period 2019-2021 a variable remuneration exceeding 400 thousand euro constitutes a "particularly high" amount.

13 Exceeding 80 thousand euro (unless otherwise provided for by specific local regulations) and 100% of the fixed remuneration.

capital ratios. No distribution will be made to own shares held by the Bank at the record date. The interim dividend was paid on 23 November 2022.

INTESA SANPAOLO comfortably meets the capital requirement set by the ECB

On 15 December 2022 Intesa Sanpaolo announced that it had received notification of the ECB's final decision concerning the capital requirement that the Bank has to meet, on a consolidated basis, as of 1 January 2023, following the results of the Supervisory Review and Evaluation Process (SREP).

The overall capital requirement the Bank has to meet in terms of Common Equity Tier 1 ratio is 8.88%.

This is the result of:

- a SREP requirement in terms of Total Capital ratio of 9.72% comprising a minimum Pillar 1 capital requirement of 8%, of which 4.5% is Common Equity Tier 1 ratio, and an additional Pillar 2 capital requirement of 1.72%, of which 0.97% is Common Equity Tier 1 ratio applying the regulatory amendment introduced by the ECB and effective from 12 March 2020;

- additional requirements, entirely in terms of Common Equity Tier 1 ratio, relating to:

    - a Capital Conservation Buffer of 2.5%,

    - an O-SII Buffer (Other Systemically Important Institutions Buffer) of 0.75%,

    - a Countercyclical Capital Buffer of 0.16%[14].

Intesa Sanpaolo's capital ratios as at 30 September 2022 on a consolidated basis - after the deduction from capital of €3.4bn of buyback[15], €2,299m of dividends accrued in 9M 2022 (of which €1,400m paid as an interim dividend in November 2022[16]) and the coupons accrued on the Additional Tier 1 issues - were as follows:

- 12.6% in terms of Common Equity Tier 1 ratio,

- 17.5% in terms of Total Capital ratio,

calculated by applying the transitional arrangements for 2022;

- 12.4% in terms of Common Equity Tier 1 ratio,

- 17.5% in terms of Total Capital ratio,

calculated on a fully loaded basis;

- 13.6% in terms of pro-forma Common Equity Tier 1 ratio calculated on a fully loaded basis[17],

- 18.9% in terms of pro-forma Total Capital ratio calculated on a fully loaded basis[17].

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14 Calculated taking into account the exposure as at 30 September 2022 in the various countries where the Group has a presence, as well as the respective requirements set by the competent national authorities and relating to 2023, where available, or the most recent update of the reference period (requirement was set at zero per cent in Italy for 2022).

15 Amount, approved by the Shareholders' Meeting and authorised by the ECB, equivalent to the 2019 suspended dividend.

16 Net of the portion not distributed to own shares held by the Bank at the record date.

17 Estimated by applying the fully loaded parameters to the financial statements as at 30 September 2022, taking into account the total absorption of deferred tax assets (DTAs) related to goodwill realignment, loan adjustments, the first time adoption of IFRS 9 and the non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the Aggregate Set of Banca Popolare di Vicenza and Veneto Banca, as well as the expected absorption of DTAs on losses carried forward and DTAs on the acquisition of UBI Banca and the agreement with the trade unions of November 2021, and the expected distribution on the 9M 2022 net income of insurance companies.

Exposure to Russia

Intesa Sanpaolo has a direct presence in Russia, through its Russian subsidiary Banca Intesa Russia, which employs 881 people in 27 branches. In addition, Intesa Sanpaolo has cross-border exposures stemming from its corporate and investment banking activities. In particular, in its lending activities, the IMI Corporate & Investment Banking Division has over time financed counterparties resident in the Russian Federation. More than two-thirds of the loans to Russian customers disbursed before the outbreak of the conflict between Russia and Ukraine involved leading industrial groups, which have established commercial relationships with customers belonging to the main international supply chains, a significant amount of which are involved in commodity exports.

Prior to the outbreak of the conflict, loans to Russian customers represented approximately 1.0% of the Group's total loans to customers (net of Export Credit Agency ("**ECA**") guarantees). During the year ended 31 December 2022, the Group took active steps to significantly reduce the credit risks associated with the conflict between Russia and Ukraine. Specifically, the gross on-balance sheet exposure (i.e., customers, banks and securities) to counterparties resident in Russia and Ukraine decreased by €2,493 million (a decrease of 47% compared to 31 December 2021), mainly due to the final disposal of two major exposures, which consisted of a €2.2 billion disposal in the third quarter of 2022 and a €0.3 billion disposal in the fourth quarter of 2022. There was a reduction of €2,899 million (a decrease of 61% compared to 31 December 2021) in gross credit exposures to customers, only partly offset by the increase in Banca Intesa Russia's amounts due from banks in relation to the liquidity that has become available from the progressive repayment of loans to customers.

The significant de-risking maneuver and the major adjustments to the residual positions contributed to more than halving its overall net exposure (i.e., customers, banks and securities) to counterparties resident in Russia and Ukraine as of 31 December 2022. The reduction in its overall net exposure was equal to €3,087 million, or 59%, compared to 31 December 2021.

Further de-risking operations also continued in the first nine months of 2023, with the almost complete divestment of the portfolio, and with significant divestments / liquidations of cross-border positions, particularly with regard to certain non-performing exposures.

As of 30 September 2023, the remaining exposure amounted, in terms of gross values, to €217 million (€123 million net) for Banca Intesa Russia and €761 million (€608 million net) for cross-border exposure to customers resident in Russia (net of ECA guarantees). This was accompanied by exposure to banks of €745 million (€736 million net). The exposure to securities was minimal. As of 30 September 2023, there were also off-balance risks to customers of €52 million (€45 million net) at Banca Intesa Russia, €42 million (book value nil in net terms) in cross-border exposures to resident customers (net of ECA guarantees) and a total of €66 million (gross and net value) relating to positions with Russian banks.

At the same date, its exposure to Russian counterparties included in the OFAC Specially Designated Nationals and Blocked Persons List ("**SDN**") and/or EU asset freeze list amounted to €0.22 billion (compared to €0.38 billion as of 31 December 2022).

For Banca Intesa Russia, Intesa Sanpaolo adopted an approach to classify and measure performing loans that gives substantial weight to the geopolitical risk deriving from the ongoing crisis. Therefore, the assessments carried out as 30 September 2023, 30 June 2023 and 31 December 2022 on the loans of the subsidiary included a centrally determined prudent factor that takes into account the worsening of the domestic economic situation in light of the continuation of the conflict and the increased isolation of the Russian economy. As a result of the provisions made and the above-mentioned reduction in exposures, the total coverage of performing loans of the Russian subsidiary amounted to approximately 38% of their gross value, in line with the coverage as of 30 June 2023. Moreover, in light of the further progressive deterioration of relations between the main Intesa western countries (including Italy) and the Russian Federation, additional provisions were made when preparing the financial statements, mainly to confirm the write-down to zero of the equity of the subsidiary, as already applied in the financial statements as of 31 December 2021.

Exposure to Ukraine

Intesa Sanpaolo operate in Ukraine through its subsidiary Pravex Bank, which employs 713 people spread across 43 branches.

As of 30 September 2023, exposures to customers resident in Ukraine amounted to €201 million (€119 million net), of which €81 million (net book value nil) related to the subsidiary Pravex Bank (on the basis of the subsidiary's figures as of 30 June 2023 at the exchange rate as of 30 September 2023). These were accompanied by exposures to banks and in securities totalling €137 million (€133 million net).

With regard to the valuation choices, for Pravex Bank, the serious situation in all of Ukraine resulted in the definition, for the purpose of measuring the Bank's loan portfolio, of a specific approach in light of the continuation of the conflict and the consequent repercussions on the Ukrainian economy. For the purposes of the 2022 Annual Report, it was deemed appropriate to confirm the decision to fully write down Pravex Bank's on-balance sheet loans to customers, with consequent classification to Stage 3. As a result of that choice, for the purposes of the Group's consolidated financial statements, the equity of the subsidiary has been reduced to zero. All valuation determinations set forth in the 2022 Annual Report were confirmed in the 2023 Half-Yearly Report and the Q3 Press Release Financials.

Any of the above could have a material adverse effect on its business, financial condition and results of operation.

Other highlights

A description is provided below of the other significant events that occurred during the third quarter of 2023, together with several developments after the end of the period, while details regarding the events in the first half of the year are provided in the Half-yearly Report.

On 19 July 2023, the agreement was signed with the Trade Unions concerning the transfer of two business lines by the 100% controlling company Intesa Sanpaolo to Isybank, the Group's new digital bank officially presented on 15 June, which represents a key project of the 2022-2025 Business Plan aimed at combining the solidity and commercial offering of a bank with simple, fast services typical of a fintech company. The new company is aimed at the Group's customers who are mainly digital users of banking services and mobile banking-oriented, while maintaining the possibility of a direct relationship with the staff of the digital branch. The transfer, approved by the Parent Company on 30 March 2023, involves two separate business lines, each consisting of a set of assets and legal relations operationally organised for the management of private individual customers who primarily use digital channels.

On 11 October 2023, Isybank approved a share capital increase from 30 million to 31 million, to be carried out in two tranches and settled through the contributions in kind of the above-mentioned business lines, which were valued by Intesa Sanpaolo with the support of an independent third-party expert.On the weekend of 14-15 October 2023, the transfer was completed of the first business line consisting of around 300,000 Intesa Sanpaolo customers with simpler operational characteristics, identified based on specific criteria. The transfer took legal effect on 16 October 2023. The second transfer, which will involve customers with more complex characteristics than the previous transfer, is scheduled for March 2024, alongside the enhancement of the product catalogue, services and features, as well as new marketing and communication initiatives.

In line with the strong push towards digitalisation that characterises the Intesa Sanpaolo Group's 2022-2025 Business Plan, at the beginning of July Fideuram - Intesa Sanpaolo Private Banking officially presented Direct Advisory, the first digital financial advisory service for investment management, which leverages a team of Direct Bankers, professionals enrolled in Italy's sole register of financial advisors, operating in fully remote form through digital solutions. This service enhances Fideuram Direct, the digital platform for those who want to operate independently on listed financial instruments and asset management products, offering itself in a complementary and synergistic way to traditional networks.

On 28 July, the results of the 2023 EU-Wide Stress Test were announced. The test was conducted by the European Banking Authority (EBA), in cooperation with the Single Supervisory Mechanism (SSM), the Bank of Italy, the European Central Bank (ECB) and the European Systemic Risk Board (ESRB) and involved also Intesa Sanpaolo for the scope of consolidation. The reference scenario covers a three-year horizon (2023-2025). The stress test has been carried out applying a static balance sheet assumption as of

December 2022 and therefore does not take into account future business strategies and management actions. It is not a forecast of the Intesa Sanpaolo Group's profits. The Intesa Sanpaolo Group fully loaded CET1 ratio resulting from the stress test for 2025, the final year considered in the exercise, stood at 14.85% under the baseline scenario and 10.85% under the adverse scenario, compared to the starting-point figure of 13.53% as of 31 December 2022. These results highlight that Intesa Sanpaolo is able to confirm its solidity even in complex scenarios, thanks to its well-diversified and resilient business model.

In line with the proactive management of its the capital base, on 31 August 2023 Intesa Sanpaolo announced a cash tender offer for any and all of its perpetual "€750,000,000 6.25% Additional Tier 1 Notes" outstanding for the full nominal amount (ISIN XS1614415542, first call on 16 May 2024), at a price of 100.25% – an offer subject to the terms and conditions, as well as the offer and distribution restrictions, set out in the tender offer memorandum dated 31 August 2023 – and the accompanying launch of a new issue of fixed-rate reset perpetual Additional Tier 1 notes in a nominal amount of no less than 750,000,000 euro to be offered, subject to market conditions, to qualified investors, including holders of the notes subject of the offer. At the Offer Expiration, on 7 September 2023, the amount of the notes validly tendered amounted to 503,077,000 euro, equivalent to 67.08% of the nominal amount outstanding, which Intesa Sanpaolo agreed to repurchase. Accordingly, on the settlement date of 11 September 2023, it paid the purchase price consideration and the accrued interest amount to the holders that tendered the notes. The notes are now outstanding for the remaining amount of 246,923,000 euro and will be redeemed in full on the first call date (16 May 2024) as Intesa Sanpaolo has already received the necessary authorisation from the ECB. On 7 September, the settlement took place of the new perpetual "€1,250,000,000 9.125% Additional Tier 1 Notes" (ISIN XS2678939427), listed on the Luxembourg Stock Exchange, with first interest rate reset date on 7 March 2030 and every five years thereafter.

During the period from 11 September to 13 September 2023 an ordinary share buyback programme was implemented to service plans for the assignment, free of charge, of Intesa Sanpaolo ordinary shares to the employees and the Financial Advisors of the Group, in relation to (i) mainly, the Intesa Sanpaolo Group share-based incentive plan for 2022; and (ii) to a lesser extent, the incentive plans of certain subsidiaries, also relating to 2022. These incentive plans are reserved for Risk Takers who accrue a bonus in excess of the so-called "materiality threshold"[18], for those who are paid a "particularly high" amount[19] and for those who, among Middle Management or Professionals that are not Risk Takers, accrue "relevant bonuses"[20]. In addition, the programme was implemented in order to grant, when certain conditions occur, severance payments upon early termination of employment. In the three days during which the programme was executed, a total of 32,000,000 Intesa Sanpaolo ordinary shares were purchased, through the IMI Corporate & Investment Banking Division, tasked with the programme execution. These represent around 0.18% of the share capital of the Parent Company. The average price was 2.4697 euro per share, for a total countervalue of 79,031,462.67 euro. The Parent Company purchased 20,200,547 shares at an average price of 2.4683 euro per share, for a countervalue of 49,861,766.11 euro. The transactions were executed in compliance with provisions included in Articles 2357 and following and 2359-bis and following of the Italian Civil Code and within the limits determined in the resolutions passed by the competent corporate bodies. Specifically, in the case of the Parent Company Intesa Sanpaolo, the transactions were executed in accordance with the terms approved by the Shareholders' Meeting of 28 April 2023. Pursuant to Article 132 of the Consolidated Law on Finance and Article 144-bis of the Issuers' Regulation and subsequent amendments, purchases were executed on the regulated market Euronext Milan managed by Borsa Italiana in accordance with trading methods laid down in the market rules for these transactions.

Moreover, purchases were arranged in compliance with the conditions and the restrictions under Article 5 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014, and Articles 2, 3, and 4 of Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 The number of shares purchased daily did not exceed 25% of the daily average volume of the Intesa Sanpaolo ordinary shares traded in August 2023, which was equal to 89.9 million shares, and 15% of the volume traded on the Euronext Milan market on each of the days when purchases were executed – in accordance with the constraint added in the programme to the above-mentioned regulatory conditions and restrictions.

[18] Equal to 50 thousand euro or one third of the total remuneration (unless otherwise provided for by specific local regulations).

[19] Pursuant to the Group Remuneration and Incentive Policies, for the three-year period 2022-2024 a variable remuneration exceeding 400 thousand euro constitutes a "particularly high" amount.

[20] Namely, an amount exceeding the "materiality threshold" (for Middle Management and Professionals generally equal to 80 thousand euro, unless otherwise provided for by specific local regulations, it being understood that, for those working in the business functions of Intesa Sanpaolo Wealth Management and those belonging to the Reyl Group, the threshold is equal to 150 thousand euro) and 100% of fixed remuneration.

On 12 September 2023, Intesa Sanpaolo, which offers real estate brokerage and advisory services through Intesa Sanpaolo Casa via a network of agencies in major Italian cities, together with Homepal a Better Place, a next-generation online real estate agency, which supports customers in the various stages of buying and selling real estate through a digital platform and real estate agents operating remotely, and BPER Banca, already a shareholder of Homepal, announced that they had reached an agreement for a strategic and commercial partnership to create a new player operating across the Italian market. The new entity will be able to draw on the complementary service models of Intesa Sanpaolo Casa and Homepal and leverage the Intesa Sanpaolo and BPER networks to meet customers' property buying and selling needs through technological services, physical presence and the experience of their agents. The transaction was finalised on 23 October 2023 with Intesa Sanpaolo's transfer of its 100% shareholding in Intesa Sanpaolo Casa to Homepal. Following the transaction, Intesa Sanpaolo has a 49% shareholding in Homepal, with the remaining 34% held by Homepal's previous shareholders and 17% by BPER Banca. The value of the transfer of Intesa Sanpaolo Casa to Homepal was supported by a fairness opinion prepared by an independent expert in accordance with Article 2343 of the Italian Civil Code. Intesa Sanpaolo's rights as a non-controlling shareholder and the governance of the company were also defined within the transaction. Based on the provisions of the agreements made, Intesa Sanpaolo's shareholding in Homepal has been classified under interests subject to significant influence pursuant to IAS 28. Given that the closing of the transaction took place after the end of the third quarter, and all the requirements of IFRS 5 had been met, as at 30 September 2023, the investment in Intesa Sanpaolo Casa was reclassified to assets held for sale and discontinued operations.

As is known, on 30 June 2023, an agreement was reached – through the signing of a number of non-binding termsheets – between parties comprising five leading Italian insurance companies (including Intesa Sanpaolo Vita), twenty-five distributor banks of Eurovita's policies (including Fideuram – Intesa Sanpaolo Private Banking) and some of Italy's leading banks (including Intesa Sanpaolo). The agreement involves a system-wide transaction aimed at protecting the policyholders of Eurovita, an insurance company that – particularly due to the recent and sudden increase in interest rates and the "structure" of its commitments to policyholders – has experienced a progressive deterioration of its solvency indicators and has subsequently been subject to an order establishing its extraordinary administration and the dissolution of the company's management and control bodies. In this context, all surrender requests submitted during the period by the company's customers were suspended until 30 June 2023 – a term that was then extended until the end of October 2023 – with the aim of avoiding further exacerbation of the company's financial and economic distress. In this connection, a comprehensive system-wide discussion was conducted to identify a rescue scheme with the primary objective of ensuring the full protection of policyholders' rights and restoring the ordinary course of insurance relations as soon as possible. In short, the agreements provide – on the one hand – for the sale, at a symbolic price, of the business line comprising almost all of Eurovita's assets to a newco called Cronos Vita, whose capital is held by Intesa Sanpaolo Vita, Generali Italia, Poste Vita and UnipolSai, each for 22.5% and Allianz for the remaining 10%, through a dedicated capital increase, and – on the other hand – for the granting of lines of credit to Cronos Vita by the financial institutions that are currently distributors of Eurovita's policies (assisted, moreover, by a pool of Banks for any further support required) to meet the potential surrenders of the Class I and V policies placed by each institution. Cronos Vita will act as a bridge-vehicle, and on completion of the transaction, which should take around 18 to 24 months, Eurovita's insurance portfolio will be taken over by the five insurance groups mentioned above. Finally, the agreements signed envisage a specific fee framework, in addition to the existing distribution agreements, that the distributor banks will pay to Cronos Vita in exchange for performing servicing activities, aimed at preserving and reactivating the business relationships with the customers who have subscribed to the policies. Following the agreements at the end of June, Cronos Vita applied to IVASS on 28 September for authorisation to carry on insurance business, which after due examination was granted on 17 October 2023.

Lastly, on 31 October 2023, following the issue of the authorisation by IVASS for the sale of the business line by Eurovita to Cronos Vita and the signing of the final binding agreements, the transfer of the business line was completed together with the accompanying capital increase subscribed by the companies for 213 million euro, which represents the second and last tranche of a total capital increase of 220 million euro, whose fairness from an economic and financial standpoint was supported by a specific opinion issued by an independent expert. Within the framework described, the Intesa Sanpaolo Group's overall involvement is therefore structured as follows:

a) Intesa Sanpaolo Vita, through the acquisition of a non-controlling interest in Cronos Vita for an amount of around 50 million euro;

b) Fideuram – Intesa Sanpaolo Private Banking, as "distributor", through the granting of a loan at market conditions to Cronos Vita for an amount of around 205 million euro. Fideuram – Intesa Sanpaolo Private Banking, together with its subsidiary Intesa Sanpaolo Private Banking, will also be required to pay the above-mentioned fees;
c) Intesa Sanpaolo (Parent Company), through the granting of a loan at market conditions to Cronos Vita for a maximum amount of around 300 million euro.

It is recalled that under the 2022-2025 Business Plan, the Group intends to pursue a modular de-risking strategy which was mostly launched during the previous Business Plan, and which has placed it among the best in Europe in terms of non-performing loan ratio and stock, generating a net drop in the cost of risk. Indeed, the latter will always be maintained at a conservative level, due to the extensive reserves of provisions on loans and ongoing prudent credit management. Following the completion in March 2023 of the project activities concerning the non-performing loans classified as assets held for sale in the 2022 Annual Report, new de-risking initiatives were launched during the second quarter involving:

– a portfolio of non-performing loans of the Parent Company consisting of bad loans in the amount of around 0.3 billion euro in terms of GBV, which was sold in October;
– Stage 2 performing exposures of Intesa Sanpaolo for a value of around 0.8 billion euro in terms of GBV, partly measured at amortised cost and partly at fair value through profit or loss.

On the basis of the above, as at 30 September 2023, loans with a gross value of 0.7 billion euro (of which 0.3 billion euro related to non-performing exposures) and a net value of 0.2 billion euro, in line with the expected proceeds from the sales, were classified as assets held for sale.

Lastly, to complete the disclosure for the third quarter of 2023, the voluntary exits plan, in accordance with the trade union agreements of 29 September 2020 and 16 November 2021, is confirmed and still ongoing. In the three months under review, there were 888 voluntary exits, of which 855 effective from 1 July. There were a total of 2,190 voluntary exits in the first nine months of 2023 for a total of 7,049 exits from the beginning of 2021, against the 9,200 exits expected to take place by the first quarter of 2025 under the terms of the two above-mentioned trade union agreements. Since January 2023, there have been around 1,250 hires (of which around 350 in the third quarter) as part of those agreements, for a total of around 2,600 from the beginning of 2021 compared with the 4,600 planned by the end of 2025.

Within the Next Way of Working project, the real estate and technological interventions aimed at constructing new workspaces designed to enhance the moments of presence in the office are continuing as planned for 2023. The work is currently being completed on fitting out the interior spaces of the new complex in Via Melchiorre Gioia 22 in Milan (the entry of the Private Banking Division, the Insurance Division and Isybank has already been completed, while the transfer of the Asset Management Division has been underway since the second half of October). In Naples, Turin, Bergamo, Jesi, Bologna and Rome, the work is being carried out on the implementation of the new model, while the planning for Cuneo is still being finalised. The work in Como has been completed. The renovation of the spaces is continuing alongside the implementation of technological tools (release of the space booking function in the planning and reservation tool), together with specific targeted communication campaigns.

With reference to the one-off tax calculated on the increase in banks' net interest income, pursuant to Article 26 of Decree Law no. 104 of 10 August 2023 converted with amendments by Law no. 136 of 9 October 2023, and considering in particular the provision in paragraph 5-bis of that article allowing for the allocation of an amount to a non-distributable reserve, in lieu of payment of the tax envisaged, of no less than two and a half times the amount of the tax, the Board of Directors, in its meeting held on 25 October 2023, decided to propose to the Shareholders' Meeting, when approving the 2023 financial statements, net income allocation and dividend distribution to shareholders, the allocation of 1,991,446,276.10 euro from the net income for the full year 2023 to a specific reserve, thus taking up the option provided by the above-mentioned measure. Should this reserve be distributed in the future, it shall be subject to payment of the tax calculated pursuant to paragraph 3 of Article 26, amounting to 796,578,510.44 euro, plus interest calculated based on the interest rate on deposits with the European Central Bank. Due to the amount of the freely distributable reserves not classed as suspended tax available to Intesa Sanpaolo as at 30 September 2023 (22,713 million euro) and the presence of additional freely distributable reserves classed as suspended tax (4,750 million euro), it is deemed highly unlikely that the above-mentioned tax shall be paid in the future.

In accordance with the instruction of the Parent Company, similar commitments were also made by the Boards of Directors of the subsidiary banks impacted by the measure: Fideuram - Intesa Sanpaolo Private Banking, Intesa Sanpaolo Private Banking and Isybank. In lieu of the one-off tax, a proposal will therefore be made to the Shareholders' Meetings, called to approve the 2023 Financial Statements, for the allocation to a specific reserve, pursuant to Article 26 of Decree Law no. 104/2023 converted with amendments by Law no. 136/2023, of a total amount at Group level of 2,068.8 million euro, corresponding to 2.5 times the total tax amount of 827.5 million euro.

In line with its strategy focused on significant value creation for all stakeholders, Intesa Sanpaolo reaffirmed its commitment to continue supporting initiatives addressing social needs, fighting inequalities, and fostering financial, social, educational and cultural inclusion. Specifically, on 25 October 2023 the Bank announced its intention to contribute with a total amount expected to be equal to around 1.5 billion euro costs in the five-year period 2023-2027. This amount comprises around 1 billion euro from sums allocated to the above-mentioned initiatives, when identified, and around 500 million euro from structure costs for around 1,000 people devoted to supporting the initiatives and a new dedicated organisational unit called "ISP for Social" based in Brescia. These costs have already been taken into account, on a pro-rata basis, in the guidance on the outlook for the 2023-2025 net income.

Lastly, on 30 October 2023 Intesa Sanpaolo announced the acquisition of Romania's First Bank S.A. from US-based private investment fund J.C. Flowers & Co. Intesa Sanpaolo and JCF Tiger Holdings S.A.R.L., the controlling shareholder of First Bank S.A., have signed a share purchase agreement for the acquisition of 99.98% of the bank's shares. The transaction is expected to be closed by the first quarter of 2024, pending approval by the competent regulatory authorities. First Bank is a commercial bank with 40 branches in Romania focused on serving SMEs and retail customers. In recent years the bank has prioritised investment in digital technology, developing one of the market's best-regarded mobile banking apps. The transaction will strengthen the Group's presence in Central and Eastern Europe, and in particular in Romania where it already operates through Intesa Sanpaolo Bank Romania, part of Intesa Sanpaolo's International Subsidiary Banks Division.

Recent Events

November 2023 Dividend

On 3 November 2023 Intesa Sanpaolo decided to distribute an interim dividend on the 2023 results equal to €14.40 cents per share, before tax, corresponding to € 2,633 million in aggregate. The decision was based on the absence of limitations to dividend distributions, including recommendations from the regulators regarding capital requirements applicable to Intesa Sanpaolo, as well as on the basis of Intesa Sanpaolo's capital ratios. No distribution will be made to own shares held by the Bank at the record date. The interim dividend was paid on 22 November 2023.

INTESA SANPAOLO comfortably meets the capital requirement set by the ECB

On 30 November 2023 Intesa Sanpaolo announced that it had received notification of the ECB's final decision concerning the capital requirement that the Bank has to meet, on a consolidated basis, as of 1 January 2024, following the results of the Supervisory Review and Evaluation Process (SREP).

The overall capital requirement the Bank has to meet in terms of Common Equity Tier 1 ratio is 9.32%.

This is the result of:

- a SREP requirement in terms of Total Capital ratio of 9.50% comprising a minimum Pillar 1 capital requirement of 8%, of which 4.5% is Common Equity Tier 1 ratio, and an additional Pillar 2 capital requirement of 1.50%, of which 0.84% is Common Equity Tier 1 ratio applying the regulatory amendment introduced by the ECB and effective from 12 March 2020;

- additional requirements, entirely in terms of Common Equity Tier 1 ratio, relating to:

    - a Capital Conservation Buffer of 2.5%,

    - an O-SII Buffer (Other Systemically Important Institutions Buffer) of 1.25%,

- a Countercyclical Capital Buffer of 0.23%[21].

Intesa Sanpaolo's capital ratios as at 30 September 2023 on a consolidated basis - after the deduction from capital of around €4.3bn of dividends accrued in 9M 2023 (of which around €2.6bn paid as an interim dividend in November 2023) and the coupons accrued on the Additional Tier 1 issues - were as follows:

- 13.6% in terms of Common Equity Tier 1 ratio,
- 19.2% in terms of Total Capital ratio,

and pro-forma[22]:

- 14.9% in terms of Common Equity Tier 1 ratio,
- 20.7% in terms of Total Capital ratio.

Sovereign risk exposure

As at 30 September 2023 Intesa Sanpaolo Group's exposure in securities to Italian sovereign debt – excluding the insurance business – amounted to €24,345 million, in addition to loans for €8,069 million. The security exposures decreased compared to €27,781 million as at 30 June 2023.

Management

Board of Directors

The composition of Intesa Sanpaolo's Board of Directors as at the date hereof is as set out below.

Member of the Board of Directors	Position	Principal activities performed outside Intesa Sanpaolo S.p.A., where significant with respect to the Issuer's activities
Gian Maria Gros-Pietro	Chair	Director of ABI Servizi S.p.A.
Paolo Andrea Colombo (#) (##)	Deputy Chair	Director of Colombo & Associati S.r.l.
		Chair of the Board of Statutory Auditors of Humanitas S.p.A.
Carlo Messina (*)	Managing Director and CEO	None
Bruno Picca(#)	Director	None
Livia Pomodoro (##)	Director	Director of Febo S.p.A.
		Chair of the Board of Directors of Sustainability and Inclusion for Food S.r.l
Franco Ceruti	Director	Chair of Intesa Sanpaolo Expo Institutional Contact S.r.l.

[21] Calculated taking into account the exposure as at 30 September 2023 in the various countries where the Group has a presence, as well as the respective requirements set by the competent national authorities and relating to 2025, where available, or the most recent update of the reference period (requirement was set at zero per cent in Italy for 2023).
[22] Estimated, on the basis of the financial statements as at 30 September 2023, taking into account the total absorption of deferred tax assets (DTAs) related to goodwill realignment, loan adjustments, the first time adoption of IFRS 9 and the non-taxable public cash contribution of €1,285m covering the integration and rationalisation charges relating to the acquisition of the Aggregate Set of Banca Popolare di Vicenza and Veneto Banca, as well as the expected absorption of DTAs on losses carried forward and DTAs on the acquisition of UBI Banca and the agreement with the trade unions of November 2021, and the expected distribution on the 9M 2023 net income of insurance companies.

Member of the Board of Directors	Position	Principal activities performed outside Intesa Sanpaolo S.p.A., where significant with respect to the Issuer's activities
		Director of Intesa Sanpaolo Private Banking S.p.A.
		Chair of Società Benefit Cimarosa 1 S.p.A.
Daniele Zamboni (##)(1) (#)	Director	None
Maria Mazzarella (##)(1)	Director	None
Milena Teresa Motta (##) (#)	Director and Member of the Management Control Committee	Director of Strategie & Innovazione S.r.l.
Alberto Maria Pisani (##)(1) (#)	Chair of the Management Control Committee	None
Maria-Cristina Zoppo(##)(#)	Director and Member of the Management Control Committee	Director of Newlat Food S.p.A.
		Standing Statutory Auditor of Michelin Italiana S.p.A. – SAMI
		Chair of the Board of Statutory Auditors of Schoeller Allibert S.p.A
Luciano Nebbia	Director	Deputy Chair of Equiter S.p.A.
Maria Alessandra Stefanelli(##)	Director	None
Anna Gatti(##)(1)	Director	Director of WiZink Bank S.A.
		Director of Wizz Air Holdings PLC
Fabrizio Mosca(##) (#)	Director and Member of the Management Control Committee	Chair of the Board of Statutory Auditors of Olivetti S.p.A.
		Chair of the Board of Statutory Auditors of Aste Bolaffi S.p.A.
		Chair of the Board of Statutory Auditors of Bolaffi S.p.A.
		Chair of the Board of Statutory Auditors of Bolaffi Metalli Preziosi S.p.A.
		Chair of the Board of Statutory Auditors of DiaSorin Italia S.p.A.
		Chair of the Board of Statutory Auditors of Mindicity S.r.l.
Roberto Franchini (##)(1) (#)	Director and Member of the Management	None

Member of the Board of Directors	Position	Principal activities performed outside Intesa Sanpaolo S.p.A., where significant with respect to the Issuer's activities
	Control Committee	
Bruno Maria Parigi(##)	Director	None
Liana Logiurato (##)	Director	None
Paola Tagliavini (##)(#)	Director	Director of Saipem S.p.A. Director of Rai Way S.p.A.

(*) Was appointed Managing Director and CEO by the Board of Directors on 29 April 2022. He is the only executive director on the Board.

(#) Is enrolled on the Register of Statutory Auditors and has practiced as an auditor or been a member of the supervisory body of a limited company

(##) Meets the independence requirements pursuant to Article 13.4.3 of the Articles of Association, the Corporate Governance Code and Article 148, paragraph 3, of the Consolidated Law on Finance (TUF)

(1) Is a representative of the Minority Slate

The business address of each member of the Board of Directors is at the Issuers' registered office in Piazza San Carlo 156, 10121 Turin (Italy).

Conflicts of Interest

As at the date of this Base Prospectus and to Intesa Sanpaolo's knowledge, no member of the Board of Directors of Intesa Sanpaolo has potential conflicts of interest between their obligations arising out of their office or employment with the Issuer or the Intesa Sanpaolo Group and any personal or other interests.

The Issuer and its corporate bodies have adopted internal measures and procedures to guarantee compliance with the relevant regulation on board members conflicts of interest.

Principal Shareholders

As of 8 december 2023, the shareholder structure of Intesa Sanpaolo was composed as follows (holders of shares exceeding 3% (1))(2)):

Shareholder	Ordinary shares	% of ordinary shares
Fondazione Compagnia di San Paolo	1,188,947,304	6.503%
Fondazione Cariplo	961,333,900	5.258%

(1) *Shareholders that are fund management companies may be exempted from disclosure up to the 5% threshold. BlackRock Inc. disclosed a 5.005% holding in the share capital of Intesa Sanpaolo, notified in Form 120 A dated 9 December 2020, as well as a 5.066% aggregate holding in the Bank's share capital, notified in Form 120 B dated 4 December 2020, and has not provided any update of these holdings following the subsequent changes in the number of shares into which the share capital of Intesa Sanpaolo is divided.*

(2) The Goldman Sachs Group Inc. disclosed a 5.78% aggregate holding in share capital of Intesa Sanpaolo, notified in Form 120 B dated 8 December 2023.

Figures updated based on the results from the register of shareholders and the latest communications received.

The Italian regulations (Article 120 of the Consolidated Law on Finance "TUF") set forth that holdings exceeding 3% of the voting capital of a listed company should be communicated to both that company and CONSOB. Moreover, under Article 19 of the Consolidated Law on Banking "TUB", prior authorisation by

the Bank of Italy is required for the acquisition of holdings of capital in banks that are either significant or make it possible to exercise significant influence, or confer a share of voting rights or capital equal to at least 10%.

The Italian regulations also set forth the obligation to disclose any agreements between shareholders.

Furthermore, Article 120, paragraph 4-bis, of the "TUF" sets forth the obligation for investors who acquire holdings in listed issuers with Italy as home Member State, equal to or above 10% of the relevant capital or a lower threshold as defined by CONSOB, to declare the objectives they are pursuing.

Legal Proceedings

Disputes relating to anatocism and other current account and credit facility conditions, as well as usury

During 2022, the disputes of this type – which for many years have been a significant part of the civil litigation brought against the Italian banking industry – decreased both in number and in total value of claims made compared to the previous year. Overall, the number of disputes, including mediations, with likely risk amounted to around approximately 2,860. The remedy sought amounted to €491 million with provisions of €180 million. As is the case for the other civil disputes, the assessment of the risk related to this type of litigation is carried out individually, taking into account the claims made, the defences submitted, the progress of the proceedings and case-law decisions, for each dispute.

You are reminded that in 2014 and 2016, Article 120 of the Consolidated Law on Banking, which governs the compounding of interest in banking transactions, was amended with the establishment of the ban on anatocism and the delegation of the CICR (Interdepartmental Committee for Credit and Savings) to regulate this matter. In February 2017, the Italian Antitrust Authority initiated proceedings against Intesa Sanpaolo for alleged unfair business practices involving, among other things, the methods used to request the above-mentioned authorisation from customers for the charging of the interest to the account imposed by the new regulations introduced in 2016. The Authority completed the proceedings in October 2017, ruling that Intesa Sanpaolo had implemented an "aggressive" policy aimed at acquiring the authorisation, by soliciting customers to provide it through various means of communications and without putting them in a position to consider the consequences of that choice in terms of the interest calculation on the compounded debt interest. As a result, the Authority issued a fine of €2 million against Intesa Sanpaolo. Intesa Sanpaolo has submitted an appeal with the Lazio Regional Administrative Court, on the grounds that the ruling was unfounded. The proceedings are still pending. With ruling of 2 January 2023, the Regional Administrative Court confirmed the fine and the Bank will appeal to the Council of State.

Disputes relating to investment services

Also in this area, the disputes showed a slight downtrend in terms of number compared to the previous year. The most significant sub-group was disputes concerning derivatives. There were a total of around 350 disputes relating to investment services with likely risk. The total remedy sought amounted to around €242 million with provisions of €144 million. As is the case for the other civil disputes, the assessment of the risk related to this type of litigation is carried out individually, taking into account the claims made, the defences submitted, the progress of the proceedings and the case-law guidance, for each dispute. We also note approximately 154 disputes with a remedy sought of €142 million initiated by "wiped out" shareholders and subordinated bondholders of the former "Old Banks" of Banca delle Marche, Banca Popolare dell'Etruria e del Lazio and Cassa di Risparmio della Provincia di Chieti, deemed to be of possible risk. Those disputes are backed by the warranties and obligations to indemnify by the Seller (National Resolution Fund) for the benefit of the former UBI Banca, and now Intesa Sanpaolo, and therefore also cover any liabilities arising from the activities carried out by the Banks (the "Old Banks") before they were subject to the resolution procedure, in relation to, *inter alia,* risks of a legal nature or generally related to ongoing or threatened disputes, or violations of the law and any potential liabilities.

Dispute regarding financial derivative instruments

With regard to derivative transactions, the legal risks linked to legal proceedings with local authorities, their subsidiaries and individuals continue to be subject to careful monitoring.
Specifically, disputes are pending with 20 local authorities, with possible or probable risk, for total claims of €142 million, and disputes with 5 Companies controlled by public entities, with total claims of €66 million. Disputes with individuals, assessed as having possible or probable risk, total around 197, and of these, around 43 positions also regard requests for refunds of amounts on other accounts held with the Bank.

Net of those latter positions, the total value of the claims lodged in the proceedings regarding only derivatives amounts to around €84 million.

With regard to contracts entered into with local authorities, during 2022, 6 new disputes were initiated against the Bank (Province of Catanzaro, Province of Varese, Province of Rovigo, Municipality of Marsciano, Municipality of Soriano del Cimino and Municipality of Servigliano) with total claims of 27 million euro.

In the same year, 4 rulings were issued relating to the following proceedings:

- Municipality of Faenza: with decision dated 1 February 2022, the Court of Appeal of Bologna confirmed that the contract was null and void. In execution of the first instance ruling, the Bank paid €2.8 million. An appeal was lodged with the Court of Cassation.
- Municipality of Santa Maria Capua Vetere: the Court of Rome, in its ruling of 2 March 2022, rejected the claim of invalidity of the two derivative contracts, made by the Municipality, and, instead upheld the claim for implicit costs not disclosed at the time of signing and ordered the Bank to pay €1.1 million plus interest and revaluation.
- Municipality of Vittorio Veneto: the Court of Venice, with non-final ruling of 29 March 2022, voided two contracts, referring to the final decision for the quantification of the restitutionary effects, whose potential risk amounts to €5.8 million.
- Province of Pavia: with decision dated 4 May 2022, the Court of Appeal of Milan confirmed that the contract was null and void. In execution of the first instance ruling, the Bank had already paid €10.1 million. An appeal was lodged with the Court of Cassation.

A summary of the most significant disputes with local authorities is provided below:

- Municipality of Venice: the dispute regards a contract governed by the ISDA, with remedy sought of €71 million. With ruling of 14 October 2022, the High Court of Justice in London held that the Municipality did not have the capacity to enter into speculative derivative contracts involving debt. As a result, the High Court established that the Municipality was entitled to the restitution of the differentials paid to the Bank solely in the amount exceeding the outlays of the Bank incurred for the back-to-back hedging derivatives (at least until December 2020, the date on which the Municipality formally challenged the validity of the transaction). In this case, the application of that principle would significantly reduce the restitutionary obligation to the Municipality. The parties formalised the grounds for appeal by the set deadline of 3 February 2023. In a subsequent hearing of 6 February 2023, the request was upheld to defer to the outcome of the appeal the settlement of the credit/debit amounts between the parties ("consequential hearing") due to the High Court's ruling. The Bank was also ordered to pay 70% of the legal fees requested by the Municipality, of which 35%, equal to around 2 million GBP, to be paid by 20 February. With regard to the second proceedings with the Municipality of Venice before the Italian court, regarding alleged breaches deriving from the mandate and investment services agreements, the Court has set a new hearing for 22 March 2023, "as it would be appropriate to hear testimony from the parties and obtain clarifications, given the likely settlement of the proceedings held in the UK."
- Municipality of Perugia: at the end of 2020, the Municipality of Perugia served a summons relating to four derivative contracts entered into in 2006, asking for repayment of the amounts paid, to be quantified during the lawsuit. The Court permitted an expert's report, adjourning to the hearing of 9 March 2023 for the examination of the expert witness report.

With regard to the contracts entered into with subsidiaries of local authorities, no new disputes were initiated, while 2 rulings were issued regarding the following proceedings:

- Azienda Socio Sanitaria territoriale Valle Olona: with ruling dated 6 April 2022, the Court of Busto Arsizio declared the contract null and void. In execution of the ruling, the Bank paid 1.8 million euro and lodged an appeal.
- Aler S.p.A.: with ruling dated 1 August 2022, the Court of Appeal of Milan confirmed that the contract entered into with the then Banca OPI was null and void. As a result of the first instance ruling, the Bank had paid 4.6 million euro. The possibility of filing an appeal with the Court of Cassation is being evaluated.

A summary of the most significant disputes with subsidiaries of local authorities is provided below:

- Terni Reti Sud S.r.l.: the dispute concerns a derivative contract entered into in August 2007 by the former Banca delle Marche [23] with Terni Reti Sud S.r.l., whose capital is 100% held by the Municipality di Terni. The opponent claims that the derivative is null and void due to failure to communicate the MTM and the probabilistic scenarios, and the breach of disclosure obligations, formulating a demand of €22 million. The Court ordered a court-appointed expert's report and adjourned the case to 13 June 2023. The adverse party stated its willingness to reach an amicable settlement. The settlement was authorised by the Bank of Italy, as manager of the National Resolution Fund. To date, the complex decision-making process by the Company (wholly owned by the Municipality of Terni) is pending. If the outcome of this process is positive, since the dispute is part of the Good Banks (former UBI) disputes, the Fund will fully reimburse the Bank for the payment resulting from the settlement.
- EUR S.p.A.: in May 2021, a writ of summons was served by EUR S.p.A., a company held by the Ministry of the Economy and Finance and Roma Capitale. In addition to ISP, the company is also suing other intermediaries due to derivative contracts governed by the ISDA, entered into in relation to a syndicated loan granted. At the hearing of 8 November 2022, the Court deemed that the lawsuit was ready for a ruling on the objection raised by the defendants regarding the lack of jurisdiction of the Italian court, and granted the terms for filing the closing briefs. Intesa Sanpaolo's risk amounts to €22 million. On 21 April 2023, the Court of Rome filed its ruling declaring the lack of jurisdiction of the Italian Court in favour of the English Court, with each party paying its own legal fees. The term for the appeal is pending. Intesa Sanpaolo's risk amounts to 22 million euro.

Disputes with individuals are decreasing, in terms of both stock and flows.

Dispute relating to loans in CHF to the Croatian subsidiary Privredna Banka Zagreb Dd

As already noted in the previous financial statements, Potrošač (Croatian Union of the Consumer Protection Association) initiated legal action against the subsidiary Privredna Banka Zagreb ("PBZ") and seven other Croatian banks. According to the plaintiff, the defendant banks engaged in an unfair practice by allegedly using unfair contractual provisions on variable interest rate, which could be changed unilaterally by the bank and by denominating the loans granted in Swiss francs (or indexing them to Swiss francs) without allegedly appropriately informing the consumers of the risks prior to entering into the respective loan agreements.

In September 2019, the Croatian Supreme Court rendered a ruling in the collective action proceedings, rejecting the appeals filed by the sued banks against the High Commercial Court ruling from 2018 and confirming the position of courts of lower instance that banks had breached collective interests and rights of consumers by incorporating unfair and null and void provisions on the CHF currency clause. The decision of the Supreme Court was challenged by PBZ before the Constitutional Court, which rejected the claim at the beginning of 2021.The subsidiary thus lodged an appeal before the European Court of Human Rights, which was rejected near the end of 2022.

In connection with the mentioned proceedings for the protection of the collective interests of consumers, numerous individual proceedings have been brought by customers against PBZ, despite the fact that most of them voluntarily accepted the offer to convert their CHF loans into EUR denominated loans retroactively, in accordance with the Act on the Amendments to the Consumer Credit Act (Croatian Official Gazette 102/2015 "Conversion Law").

In March 2020, the Croatian Supreme Court, within a model case proceedings (a Supreme Court proceedings with obligatory effect on lower instance courts with the aim of unifying/harmonising case law), ruled that the conversion agreements concluded between banks and borrowers under the Croatian

[23] Note that those disputes are backed by the warranties and obligations to indemnify by the Seller (National Resolution Fund) for the benefit of UBI Banca in relation to the acquisition of the New Banks deriving from the resolution of Banca delle Marche, Banca Popolare dell'Etruria e del Lazio and Cassa di Risparmio della Provincia di Chieti and therefore also cover any liabilities arising from the activities carried out by the Banks (the "Old Banks") before they were subject to the resolution procedure, in relation to, inter alia, risks of a legal nature or generally related to ongoing or threatened disputes, or violations of the law and any potential liabilities.

Conversion Law of 2015 produce legal effects and are valid even in the case when the provisions of the underlying loan agreements on variable interest rate and currency clause are null and void.

In May 2022, the EU Court of Justice, in proceedings regarding reference for a preliminary ruling involving another termediary, established that the Court of Justice has jurisdiction over the conversion agreements concluded under the Conversion Law, as they occurred after Croatia joined the European Union, and that the EU Directive on unfair terms in consumer contracts does not apply to those conversion agreements, whose content reproduces provisions of national law.
On 20 December 2022, the Civil Law Department of the Croatian Supreme Court provided an interpretation of the legal effects of the agreements for the conversion of loan agreements from CHF to EUR and on consumers' rights. By virtue of that interpretation, consumers that entered into a conversion agreement pursuant to the aforementioned Conversion Law of 2015 have the right to receive legal interest on excess amounts paid that the bank calculated on converting the loans, from the date of each single payment up to the date of conversion. Once this judicial interpretation is recorded with the Court Practice€Records Department, it will be final and binding for lower instance courts.

The number of new individual lawsuits filed against PBZ in 2023 was higher than those in 2022. At the end of 2023 the total pending cases still amounted to approximately 7,200.

Dispute with the foreign subsidiary Banca Intesa Beograd (Serbia)

The following areas of the mass disputes that have impacted the entire Serbian banking system shown below.

1. Processing fees

Legal dispute regarding processing fees applied by banks at the time of disbursing loans. The claimants, individuals and legal persons, are requesting the repayment of those charges, as they are deemed as not owed. The first claims arose in 2017, and a significant increase in lawsuits was recorded in the following years, though for modest amounts on average. Most of the courts accepted the customers' requests, based on an interpretation of regulations that the banks oppose. In September 2021, the Supreme Court of Serbia recognised the legitimacy of the costs and fees applied to loans at the time of their disbursement, provided they are indicated in the contract proposal. During 2023, the flows of new disputes significantly decreased compared to 2022, and several customers dropped pending disputes. Indeed, at the end of the year 2023, Banca Intesa Beograd had been summoned in around 15,000 lawsuits deemed as having possible or probable risk (at the end of 2022, these amounted to around 18,590); the related total amounts of principal requested to be repaid by the Bank came to around €1 million.

2. NKOSK

Legal dispute relating to real estate loans insured through the National Housing Loan Insurance Corporation (NKOSK), whose premium is paid by the borrowers. The borrowers deem that, as the bank is the beneficiary of the insurance, the premium should be paid by the bank. Most of the courts accepted the customers' requests, based on an interpretation of regulations that the banks oppose. In September 2021, the Supreme Court of Serbia recognised the legitimacy of requiring the insurance premium to be paid by the borrowers, provided that the obligation is clearly described to the borrowers during precontractual procedures. In 2023, the number of lawsuits slightly decreased compared to 2022. Indeed, at the end of the year 2023, Banca Intesa Beograd had been summoned in around 1,000 lawsuits deemed as having possible or probable risk (at the end of 2022, these amounted to around 1,100); the related total amounts requested to be repaid by the Bank came to around €1.1 million.

Ruling of the EU Court of Justice of 11 September 2019 on credit agreements for consumers socalled-Lexitor ruling

Article 16, paragraph 1 of Directive 2008/48 on credit agreements for consumers states that in the event of early repayment of the loan the consumer is "entitled to a reduction in the total cost of the credit, such reduction consisting of the interest and the costs for the remaining duration of the contract". According to the Lexitor ruling, this provision must be interpreted as meaning that the right to a reduction in the total cost of the credit includes all the costs incurred by the consumer and therefore also includes the costs relating to services prior to or connected with the signing of the contract (upfront costs such as processing costs or agency fees).

Article 16, paragraph 1 of Directive 2008/48 has been transposed in Italy through Article 125 - sexies of the Consolidated Law on Banking, according to which in the event of early repayment *"the consumer is entitled to a reduction in the total cost of the credit, equal to the amount of interest and costs due for the remaining life of the contract*". On the basis of this rule, the Bank of Italy, the Financial Banking Arbitrator and case law have held that the obligation to repay only relates to the charges that have accrued during the course of the relationship (recurring costs) and have been paid in advance by the customer to the lender. In the event of early repayment, these costs must be repaid in the amount not yet accrued and the obligation to repay does not include the upfront costs.

Following the Lexitor judgment, the question has arisen as to whether Article 125-sexies of the Consolidated Law on Banking should be interpreted in accordance with the principle laid down therein or whether the new principle requires a legislative amendment. According to the EU principle of "consistent interpretation", national courts are required to interpret the rules in their own jurisdiction in a manner consistent with the European provisions. However, if the national rule has an unambiguous interpretation, it cannot be (re)interpreted by the court in order to bring it into line with the various provisions of a European directive: the principles recognised by European Union law prevent the national court from being required to make an interpretation that goes against the provisions of the domestic law. In this regard, we note that Article 125-sexies of the Consolidated Law on Banking has always been interpreted as meaning that, in the event of early repayment, the obligation to repay relates only to recurring costs and therefore does not include upfront costs.

In December 2019, following the Lexitor ruling, the Bank of Italy issued "guidance" for the implementation of the principle established by the EU Court of Justice, to the effect that all costs (including upfront costs) should be included among the costs to be refunded in the event of early repayment, both for new relationships and for existing relationships. Intesa Sanpaolo has decided to follow the Bank of Italy "guidance", even though it believes that the legal arguments set out above regarding the fact that Article 125-sexies of the Consolidated Law on Banking cannot be interpreted in a manner that complies with the Lexitor ruling are well founded. A provision has therefore been made in the Allowance for Risks and Charges corresponding to the estimated higher charges resulting from the decision to follow the Bank of Italy "guidance".

On 25 July 2021, Article 11-octies of Law 106/2021 took effect, which modified paragraph 1 of Article 125 sexies of the Consolidated Law on Banking, with the intention of resolving the situation of uncertainty caused by the Lexitor ruling, with the following provisions:

- with regard to the rules on mortgage lending to consumers, removal of the reference to Article 125-sexies of the Consolidated Law on Banking and insertion of a specific provision on the early redemption of this type of loan, limiting repayment to only the interest and costs due for the remaining life of the loan agreement;

- with regard to the rules on consumer credit, the text of Article 125-sexies of the Consolidated Law on Banking is modified so as to implement the principles of the Lexitor ruling, indicating, however, the amortised cost criterion as the preferred criterion for calculating repayment;

- these provisions only apply to loan agreements signed after the entry into force of the law converting the decree. Loan agreements signed before that date are expressly to be governed by the provisions of law ands Supervisory provisions previously in force.

The new rule does not have significant impacts on new contracts: for personal loans, the contractual clauses already comply with the rule, and for salary-backed loan products, the companies in the Intesa Sanpaolo Group have adopted the "tutto TAN" (All APR) model, which does not apply incidental costs to the customer, aside from interest. As regards consumer credit agreements concluded before the date of entry into force of the new rule, even if the agreements expired after that date, the repayment of the upfront costs could be limited to the amount established in the agreement.

The Coordination Board of the Banking and Financial Ombudsman (ABF), which was assigned the issue of repayment of the upfront costs following the entry into force of the "Lexitor amendment", issued Decision no. 21676 on 15 October 2021, stating the following principle: in application of the legislative change pursuant to Article 11 octies, paragraph 2, last sentence of Law Decree No. 73 of 25 May 2021,

converted into Law no. 106 of 23 July 2021, in the event of early repayment of a loan entered into before the entry into force of the specific regulatory provisions, there must be a distinction between costs relating to activities over the course of the contractual relationship (recurring costs) and costs relating to the fulfilment of preliminary obligations for granting the loan (upfront costs). This means that the former, but not the latter, can be repaid, limited to the portion not accrued due to the early repayment.

The guidance from the Coordination Board of the Banking and Financial Ombudsman continues to be followed by the single panels, which reject the requests for *pro rata* repayment of upfront costs. The decisions were not suspended even after the issue of the legitimacy of the legislative change was referred to the Constitutional Court. This will be explained further be low. On 1 December 2021, the Bank of Italy also notified intermediaries that, as a result of the changes made by Law 106/2021 to Article 125 sexies of the Consolidated Law on Banking, its "guidelines" of 4 December 2019 are to be considered invalid. Those guidelines requested that, in the event of the early repayment of consumer credit loans, the reduction in the total cost of the loan be calculated, including all costs borne by the consumer (recurring and upfront costs), excluding taxes.

Conversely, ordinary case law is divided over the application of the new rule. Several judges have applied the new provision by rejecting the claimant's request for *pro rata* repayment of upfront fees following early repayment. However, in a significa nt number of cases, particularly in disputes before Justices of Peace, the customer's right to *pro rata* repayment of the upfront costs was recognised, deeming that - with varying, questionable grounds - the Lexitor principles should be applied also following the entry into force of the legislative change. Those rulings have generally been challenged by the Bank.

With ruling no. 263 of 22 December 2022, the Constitutional Court accepted the question of constitutionality raised by the Court of Turin in November 2021, in a lawsuit brought against an intermediary specialising in salary-backed loans, for repayment of the upfront costs, declaring only the section of Article 11 octies, paragraph 2 of Law Decree no. 73 of 25 May 2021, converted with amendments into Law no. 106 of 23 July 2021 with the wording "and the secondary regulations contained in the transparency and supervisory provisions of the Bank of Italy" to be unconstitutional. In light of the ruling of the Constitutional Court, the Bank made an initial estimate of the potential charge connected with the effects of the partial declaration of unconstitutionality of Article 11 octies, paragraph 2 of Law Decree no. 73 of 25 May 2021, making a specific provision to the allowance for risks and charges.

On 9 February 2023, the European Court of Justice, within proceedings originating from a reference for a preliminary ruling from the Austrian Supreme Court, ruled on the applicability of the Lexitor principle to mortgage lending to consumers. The Austrian Court asked the European Court of Justice whether Directive 2014/17 on mortgage lending to consumers precluded national legislation providing that the right of the consumer to a reduction in the total cost of the credit in the event of earl repayment of the credit covers only interest and costs that are dependent on the duration of the agreement. The Court declared that Directive 2014/17 does not preclude such legislation.

According to the Court, that right to reduction does not, therefore, include costs which, irrespective of the duration of the agreement, are payable by the consumer to either the creditor or third parties for services previously rendered in their entirety at the time of early repayment (such as processing and appraisal fees). Moreover, in 2021 the European Commission launched the process for the revision of EU Directive no. 2008/48 on consumer credit, on which the Lexitor ruling had been handed down. Following the legislative proposal initially formulated by the Commission, the phase of involving the European Parliament and Council began and, in the last few months, these bodies defined their positions by publishing their respective proposals.

Dispute between Intesa Sanpaolo Vita S.p.A. and RB Holding S.p.A. and the Favaretto family

In May 2020, Intesa Sanpaolo Vita S.p.A. finalised an investment in RBM Assicurazioni Salute S.p.A., the leading Italian insurance company in the healthcare class held by RB Holding S.p.A. referring to the family of Roberto Favaretto, an operation that resulted in Intesa Vita S.p.A. currently controlling the insurance company, now named Intesa Sanpaolo RBM Salute S.p.A.

In May 2022, Intesa Sanpaolo Vita sent the minority shareholders RB Holding S.p.A. an indemnity request pursuant to and in accordance with the investment contract, in relation to the emerging situations that gave rise (or could give rise) to liabilities currently quantifiable at over €129 million, which substantially involve:

- the increase in the charges for claims concerning the mètaSalute Policy due to the elimination of unfair business practices subject to proceedings launched by the AGCM (Italian Competition Authority);

- credit positions (per 'premium settlements') posted to balance sheet assets at the time of closing and fully written down following the closing, due to their verified uncollectibility;

- penalties for delays in payments of claims relating to the ASDEP – Healthcare for Employees of Public Entities Policy.

RB Holding S.p.A. rejected all charges and, in the second decade of July 2022, along with the Favaretto family, submitted a petition to the Arbitration Chamber of Milan, claiming the invalidity of several clauses in the investment contract and shareholders' agreement of 2020 (including those relating to the put and call options on the minority interest and the non-competition agreement), breaches by Intesa Sanpaolo Vita of contractual commitments (such as the consultation clause relating to the renewal of the MètaSalute contract and the termination of the relationship with the previous Managing Director), the breach by the latter of the rules of good faith and fairness, with a request for compensation for damages totalling €423.5 million.

Intesa Sanpaolo Vita S.p.A. filed its defence to the Arbitration Chamber by the assigned deadline of 5 September 2022, fully contesting the adverse party's arguments and also making a counterclaim for the payment of a total amount of €129.4 million, for the breach, by RB Hold S.p.A., of the representations and warranties issued and commitments undertaken through the investment contract, as well as the obligation to act in accordance with fairness and good faith, making full reference to the claims set out in the indemnity request of May 2022.

In March 2023, ISP Vita, RB Holding S.p.A. and the Favaretto family reached an agreement, by which, in addition to regulating the immediate transfer by RB Holding S.p.A. of the residual shareholding in Intesa Sanpaolo RBM Salute in favour of ISP Vita, now 100% owner, the parties agreed to amicably resolve, without any admission of the claims mutually advanced, the Arbitration referred to above, agreeing to proceed to formalise the Milan Chamber of Arbitration the waver of the claims respectively introduced. The waivers have been formalised and the arbitration proceedings have been closed.

Disputes arising from the acquisition of certain assets, liabilities and legal relationships of Banca Popolare di Vicenza S.p.A. in compulsory administrative liquidation and Veneto Banca S.p.A. in compulsory administrative liquidation.

Preliminarily, the following is noted:

(a) based on the agreements between the two banks in compulsory administrative liquidation and Intesa Sanpaolo (Sale Contract of 26 June 2017 and Second Acknowledgement Agreement of 17 January 2018), two distinct categories of disputes have been identified (also relating to the subsidiaries of the former Venetian banks included in the sale):

  - the previous disputes, included among the liabilities of the aggregate set transferred to Intesa Sanpaolo, which include civil disputes relating to judgements already pending at 26 June 2017, with some exceptions, civil disputes relating to proceedings already pending at 26 June 2017, and in any case different from those included under the excluded disputes (see the point below);

  - the excluded disputes, which remain under the responsibility of the banks in compulsory administrative liquidation and which concern, among other things, disputes (even if already pending at 26 June 2017) brought by shareholders and convertible and/or subordinate bondholders of one of the two former Venetian banks (including those deriving from so-called "operazioni baciate"), disputes relating to non-performing loans, disputes relating to relationships terminated at the date of the transfer, and all disputes (whatever their subject) arising after the sale and relating to acts or events occurring prior to the sale. The excluded disputes also include the disputes attributable to all the categories listed herein brought against Banca Nuova e banca Apulia (or Intesa Sanpaolo as their absorbing company);

- the relevant provisions were transferred to Intesa Sanpaolo along with the previous disputes; in any case, if the allowances transferred prove insufficient, Intesa Sanpaolo is entitled to be indemnified by the banks in compulsory administrative liquidation, at the terms provided for in the Sale Contract of 26 June 2017;

(b) after 26 June 2017, a number of lawsuits included within the excluded disputes were initiated or resumed against Intesa Sanpaolo. With regard to these lawsuits:

(i) Intesa Sanpaolo is pleading and will plead its non-involvement and lack of capacity to be sued, both on the basis of the provisions of Law Decree 99/2017 (Article 3), and the agreements signed with the banks in compulsory administrative liquidation and in compliance with the European Commission provisions on State Aid (Decision C(2017) 4501 final and attachment B to the Sale Contract of 26 June 2017), which prohibit Intesa Sanpaolo from taking responsibility for any claims made by the shareholders and subordinated bondholders of the former Venetian banks;

(ii) if there were to be a ruling against Intesa Sanpaolo (and in any event for the charges incurred by Intesa Sanpaolo for any reason in relation to its involvement in any excluded disputes), it would have the right to be reimbursed by the banks in compulsory administrative liquidation based on that set out in the Sale Contract and subsequent agreements. The banks in compulsory administrative liquidation have contractually acknowledged their capacity to be sued with respect to the excluded disputes, such that they have entered appearances in various proceedings initiated (or re-initiated) by various shareholders and convertible and/or subordinate bondholders against Intesa Sanpaolo (or in any case included in the category of excluded disputes), asking for the declaration of their exclusive capacity to be sued and the consequent exclusion of Intesa Sanpaolo from those proceedings;

All the obligations and liabilities for indemnity assumed by the Banks in compulsory administrative liquidation in relation to Intesa Sanpaolo are covered by a public guarantee ("Indemnification Guarantee"), whose issue was an essential prerequisite of the Sale Contract. This guarantee was formalised on 15 November 2022.

Over time, by virtue of the contractual obligations assumed by the two Venetian Banks in compulsory administrative liquidation, Intesa Sanpaolo has sent them several claims containing requests (or reserving the right to make requests) for reimbursement/indemnity relating to previously incurred or potential damage concerning Previous Disputes or Excluded Disputes, as well as the breach of representations and warranties regarding certain assets and liabilities transferred to Intesa Sanpaolo.

Pending the formalisation of the "Indemnification Guarantee", on 14 October 2022, Intesa Sanpaolo and the two Venetian Banks in compulsory administrative liquidation negotiated and signed a "Third Agreement" to govern several aspects for the performance of the Sale Contract of 26 June 2017 (as occurred for two previous acknowledgement agreements signed in 2017 and in 2018). At that time, Intesa Sanpaolo and the two Venetian Banks in compulsory administrative liquidation:

- extended the duration of the loan agreements on the net debt of the sale and the sale of high risk loans and their conditions, aligning the guarantees;
- specified, both regarding the claims already sent by Intesa Sanpaolo and for the future, several aspects concerning the timing and methods of managing the related requests for compensation, covered by the Indemnification Guarantee in favour of Intesa Sanpaolo;
- agreed on several methods to effectively manage disputes in which Intesa Sanpaolo will be involved.

By order of 20 July 2021, in the proceedings relating to the Excluded Disputes brought for the alleged misselling of BPVi shares in which Intesa Sanpaolo (which claimed it lacks the capacity to be sued based on Law Decree 99/2017 and the sale contract) is also a party, the Court of Florence referred the question of the constitutionality of Law Decree 99/2017 to the Constitutional Court.

This is the first case of referral to the Constitutional Court of issues relating to Law Decree 99/2017. To date, the numerous applications for referral to the Constitutional Court formulated by adverse parties in proceedings relating to the Excluded Disputes have always been rejected by judges, as they were deemed immaterial or clearly unfounded.

In filing an appearance in court, the Bank challenged the order of referral, claiming that it was inadmissible and unfounded; this, considering EU and Italian regulations on State aid as part of the operations on the Venetian Banks, correctly applied by the national legal system, and the absence of discriminatory effects against the shareholders and subordinated bondholders of the Venetian Banks. The Presidency of the Council of Ministers and BPVi in compulsory administrative liquidation (as well as the Bank of Italy, as *amicus curiae*) filed appearances in the proceedings, concluding in favour of the inadmissibility and lack of grounds of the issues of unconstitutionality raised. With ruling no. 225 filed on 7 November 2022, accepting the defences of Intesa Sanpaolo, the Attorney General and BancaPopolare di Vicenza in compulsory administrative liquidation, the Court declared all the issues of unconstitutionality raised to be inadmissible, also taking a position on their lack of grounds, in line with the defences submitted by Intesa Sanpaolo.

In January 2018, as part of a criminal proceeding before the Court of Rome for the alleged market rigging and obstructing the Supervisory Authorities in the performance of their functions with respect to officers and executives of Veneto Banca, the preliminary hearing judge decided that Intesa Sanpaolo could be charged with civil liability assuming that the exclusion from the sale to Intesa Sanpaolo of the debts, responsibilities and liabilities deriving from the sale of shares and subordinated bonds – envisaged by Law Decree 99/2017 – would not be objectionable by third parties, while Article 2560 of the Italian Civil Code would be applicable in the case in question and Intesa Sanpaolo should therefore take on those liabilities.

As a result of this decision, more than 3,800 civil plaintiffs holding Veneto Banca shares or subordinated bonds joined the proceedings. Intesa Sanpaolo, thus filed an appearance requesting that it be excluded from the proceedings. In turn, Veneto Banca in compulsory administrative liquidation intervened voluntarily affirming its exclusive, substantial and procedural capacity to be sued.

In March 2018, the preliminary hearing judge declared his lack of territorial jurisdiction, transferring the files to the Public Prosecutor's Office of Treviso. The charge of civil liability and the joinders of the civil parties were therefore removed.

After the case documents were forwarded to the Public Prosecutor's Office of Treviso, the former Managing Director of Veneto Banca, Vincenzo Consoli, was committed to trial for the offences of market-rigging, obstructing banking supervisory authorities and financial reporting irregularities.

The Judge for the Preliminary Hearing rejected the motion to authorise the summons of Intesa Sanpaolo as civilly liable party.

A similar motion was rejected in the criminal proceedings before the Court of Vicenza against management board members and key function holders and executives of Banca Popolare di Vicenza.

Disputes relating to bank guarantees

This type of dispute derives from a decision of the Court of Cassation in 2017, based on a Bank of Italy measure of 2005 relating to a bank guarantee scheme submitted to it by the ABI (agreed with the main consumers' associations). The Bank of Italy deemed that three clauses in this scheme could have anti-competition effects if applied in a standard manner by banks. Referring to that measure, the Court of Cassation formulated the following new principle of law: once the existence of an unlawful, and therefore, null and void anticompetitive agreement has been ascertained, bank guarantees that constitute the application of the unlawful agreement shall also be deemed unlawful, even if issued prior to the verification of the agreement. As part of recovery proceedings managed by Italfondiario on behalf of the Bank, the issue relating to the consequences of the principle stated by the Court in 2017 on individual bank guarantees issued based on the Italian Banking Association (ABI) scheme was referred to the Joint Sections.

Specifically, they were asked to assess:

a. whether the inclusion of the unlawful clauses in the contract justifies the declaration that the contracts are null and void or exclusively legitimises the claim for damages;

b. in the event of nullity, what type of defect determines such nullity and which party is entitled to enforce it;

c. whether the partial nullity of the bank guarantee is admissible;

d. whether, in addition to verifying that the clauses match those deemed unlawful, the intention of the parties regarding the operation must be investigated and, that is, whether they would have gone ahead even knowing the clauses were unlawful.

On 30 December 2021, the Joint Sections declared the partial nullity of the bank guarantees drawn up based on the Italian Banking Association (ABI) template, in relation to clauses 2, 6 and 8.

The Joint Sections opted for an intermediate solution, excluding the other two possible solutions: on one side, they ruled out the full validity of the bank guarantee, a solution which would have exclusively permitted compensation for damages as the only remedy to be used by the guarantor (as suggested in the conclusions of the General Prosecutor prior to the hearing of 23 November 2021); on the other side, they ruled out the possibility of deeming the entire bank guarantee contract null and void.

Around one year since the ruling of the Joint Sections, there have been np increases in disputes, which, on the whole, are still a modest amount.

Andrea Abbà and 207

This is a dispute pending before the Court of Milan, Business Section, initiated in 2019 by Mr. Abbà and 207 subordinated bondholders of Banca delle Marche[24]. The claimants seek a declaration voiding the bonds and compensation for the damages suffered. The claim has been quantified at approximately €31 million.

The bank filed its appearance, objecting that it lacked the capacity to be sued, arguing in particular that the bonds in question were outside the scope of the sale by the Bridge Entity to the former UBI Banca. The former UBI Banca also argued that the claimant's claims had become time barred and that the adverse parties lacked capacity, since they were not the "first borrowers" and thus by law were not entitled to claim that the original bonds were inherently flawed. Finally, the lack of grounds to void the bonds and of evidence of the causal relationship between the bank's conduct at issue and the damages was underscored.

As the manager of the National Resolution Fund, the Bank of Italy intervened in the proceedings, upholding the arguments and conclusions formulated by the former UBI Banca. Following its interruption due to the death of one of the claimants, the lawsuit was resumed. The Court of Milan granted the terms for filing preliminary briefs and scheduled the hearing for 28 March 2023.

AC Costruzioni S.r.l.

Proceedings brought by AC Costruzioni S.r.l. (subsequently declared bankrupt) and Aurelio Cava (deceased during the trial) seeking a declaratory judgment establishing contractual and/or extracontractual liability of the bank for the revocation of the credit facilities in 1998 and a judgment ordering the bank to provide compensation for the damages resulting from revocation, quantified at a total of around €33 million.

The adverse party's claims were rejected in full by both the Court of Cosenza and the Catanzaro Court of Appeal, which upheld the arguments made by the bank. The judgment of the second instance was appealed by Cava's heirs and then by the receiver to AC Costruzioni by counter-appeal and cross-appeal.

By order filed at the end of July 2022, the Court of Cassation rejected the appeals filed by the adverse parties in their entirety and ordered them to pay the cost to the bank.

Therefore, the dispute has been definitively closed without any outlays.

Città Metropolitana di Roma capitale (formerly the Provincia of Roma)

Criminal proceedings are pending before the Rome Public Prosecutor's Office against a former Banca IMI manager for co-commission of aggravated fraud against the Metropolitan City of Rome Capital (formerly the Province of Rome).

The proceedings relate to the overall transaction for the purchase by the local authority, through the real estate fund Fondo Immobiliare Provincia di Roma (fully owned by the Province of Rome), of the new EUR premises.

[24] See the previous note.

The real-estate transaction received financing of €232 million from UniCredit, BNL and Banca IMI (each with 1/3).

The former Banca IMI employee is accused of having misled – with three other managers of the two other lending banks, seven managers of the asset management company that manages the provincial fund and two public officials – the fund's internal control bodies and representatives of the Province, allowing the lending banks to obtain an unjust profit and thus causing significant damages to the public authority. In addition, the Public Prosecutor claims that the lending banks and the Fund entered into a loan under different, more burdensome conditions than those provided for in the call for tenders held by the public entity for the transaction.

Intesa Sanpaolo(as the company that absorbed Banca IMI) is investigated in the criminal proceeding pursuant to Legislative Decree 231/01 together with the other two lending banks and the real-estate fund management company.

By measures dated 23 May 2022 and 14 June 2022, the Public Prosecutor's Office of Rome ordered the closure of the positions of both the former manager of Banca IMI and of ISP to request their dismissal. By order dated 27 June 2022, which became final in December, the Public Prosecutor's Office ordered the dismissal of the proceedings against the Bank. It is also expected that the request for dismissal be formalised also against the former manager of Banca IMI.

Disputes regarding tax-collection companies

In the context of the government's decision to re-assume responsibility for tax collection, Intesa Sanpaolo sold to Equitalia S.p.A, now the Italian Revenue Agency - Collections Division, full ownership of Gest Line and ETR/ESATRI, companies that managed tax-collection activities, undertaking to indemnify the buyer against any expenses associated with the collection activity carried out up to the time of purchase of the equity investments.

In particular, such expenses refer to liabilities for disputes with tax authorities, taxpayers and employees and out-of-period expenses and capital losses with respect to the financial situation at the time of the sale.

Overall, claims of around 74.9 million euro were made, later reduced to around 74.6 million euro, which were resolved by amicable settlement in the second quarter of 2023.

Energy s.r.l.

Energy s.r.l., to which the bankruptcy receiver of C.I.S.I. s.r.l. transferred all its rights towards third parties, brought a claim before the Court of Rome against Intesa Sanpaolo seeking to quash the revocation of the subsidised loan of approximately €22 million granted to C.I.S.I. S.r.l. in 1997 pursuant to Law 488/92 and a judgment ordering the Ministry of Economic Development, Intesa Sanpaolo (as the concessionaire for the procedural application process) and Vittoria Assicurazioni (guarantor of the payment of the second tranche of the loan), jointly and severally between them, to provide compensation for damages allegedly incurred, quantified at a total of approximately €53 million. The company justified its claim by citing a favourable judgment rendered in criminal proceedings originating from a complaint filed against C.I.S.I. and its director alleging grave irregularities and breach in the execution of the business plan to which the loan referred – proceedings that had led to the revocation of the subsidised loan. Intesa Sanpaolo entered its appearance, denying that there was any basis for the adverse parties' claims, arguing that all claims for compensation against the Bank had become time barred, the claims were groundless on the merits and the damages had been represented inappropriately.

The trial process was begun and the usual briefings were exchanged without the preliminary investigation being carried out. On 10 December 2022, the Court filed its ruling rejecting Energy's claims. On 10 January 2023 Energy served its appeal.

Engineering Service Srl

In 2015, Engineering Service Srl brought a civil suit against the Ministry of Economic Development, BPER and the former UBI Banca regarding the granting of public subsidies to businesses. The claimant accuses our bank (and BPER) of delays in managing the approval procedure and disbursements – delays that allegedly resulted in a liquidity crisis for the company and the consequent loss of the public contribution.

A claim for damages for approximately €28 million was brought against our Bank. The Bank's defence counsel argued that the approval times depended on BPER, to which it thus submitted a claim for indemnity.

Following the revocation of the order to carry out a court-appointed expert's report, the Court of Rome, with ruling dated 9 November 2021, fully rejected the claimant's application, ordering it to pay the legal fees of all the parties summoned. The ruling became final, due to lack of appeal within the terms set out by law.

G.I.& E. Bankruptcy

In November 2021, the G.I.& E. S.p.A. Bankruptcy Receiver initiated action for compensation of damages against Intesa Sanpaolo (as the absorbing company of Banca dell'Adriatico) and UBI (as the absorbing company of Banca Marche and Popolare di Ancona), claiming that they were liable for having contributed, along with other banks and with the conduct of the directors and control bodies, to artificially keeping the company afloat and worsening its default.

The alleged damages claimed were quantified by the counterparty at around €22.5 million.

Lifting the reservation assumed at the hearing of 16 December 2022, the Court ordered the court-appointed expert's report requested by the Bankruptcy Receiver to be carried out.

Isoldi Holding Bankruptcy

The Isoldi Bankruptcy receiver to sued the former UBI Banca (which absorbed Nuova Banca Etruria and Centrobanca), Intesa Sanpaolo and five other banks in June 2020, before the Court of Bologna, claiming that they were liable, jointly and severally with the management body of Isoldi Holding, for a series of acts of diversion of assets that are claimed to have contributed to the company's artificial survival in the period June 2011 – June 2013, due to conduct claimed to have been implemented by preparing a turnaround plan pursuant to Article 67, para. 3, letter d), of the Bankruptcy Law based on unlawful acts and a connected agreement governing the disbursement of new finance, acts that are argued to have artificially deferred the company's crisis and concealed the irreversibility of its default.

The Isoldi Bankruptcy Receiver also formulated a joint claim against Intesa Sanpaolo (prior to the incorporation of UBI Banca) and MPS, claiming their liability, jointly with the Sole Director of Isoldi Holding, for allegedly unlawful conduct connected with the bail-in of Aedes, in which Isoldi Holding was interested in taking over the majority shareholding.

Intesa Sanpaolo and the former UBI Banca filed regular appearances and the assigned Court, with order dated 1 July 2021, declared that it lacked jurisdiction. The adverse party resumed the proceedings, submitting the same claims before the Court of Turin. The Bank filed an appearance for the hearing scheduled for 3 March 2022. At the hearing of 16 February 2023, the judge reserved the decision on the preliminary objections. The total damages claimed by the adverse party do not seem to be accurately quantifiable as things stand, also taking account of the various conduct of the various banks challenged.

Società Italiana per le Condotte d'Acqua S.p.A. under Extraordinary Administration

By writ of summons of 23 December 2022, Società Italiana per le Condotte d'Acqua S.p.A. (admitted to the "Marzano" proceedings by way of Italian Ministerial Decree of 6 August 2018) asked the Court of Rome to order for compensation for damages in the amount of € 389.3 million (or a different amount that will arise during the proceedings), in addition to monetary revaluation, legal interest and expenses. The claim has been filed, jointly, against Intesa Sanpaolo (also as the absorbing company of Medio Credito Italiano, Banca IMI and UBI Banca, as well as "the purchaser of" Veneto Banca and Banca Popolare di Vicenza), the members of the Management Board and the Supervisory Board of Condotte and numerous other banks and factoring companies. The claim is based on the alleged conduct engaged in for various reasons by the defendants, considered a source of harm to the company's assets and its creditors. Specifically, the banks and factoring companies are allegedly liable for having unlawfully granted to and/or maintained credit for Condotte, thereby contributing to the continuation of its business at a loss and the worsening of its default.

The first hearing has been scheduled for September 2023. As things stand, it is not possible to estimate the risk attributable to Intesa Sanpaolo, also taking account of the different conduct claimed against the numerous defendants. The Extraordinary Administration has also promoted against Intesa Sanpaolo three

bankruptcy revocatory actions before the Court of Rome, with a request to reimburse amounts of around €16 million.

Fondazione Cassa Risp. di Pesaro

In 2018, Fondazione Cassa di Risparmio di Pesaro brought a compensation claim against the former UBI Banca (as the alleged successor-in-interest to the issuer Banca Marche S.p.A.[25]) and PwC (the independent auditing firm that certified all the financial statements and the figures presented in the Prospectus) alleging that the defendants published data and information regarding the financial performance and position of Banca delle Marche S.p.A. that later proved to be totally incorrect and misleading. This information, contained in the financial statements as at 31 December 2010 and 30 June 2011 and included in the Prospectus, is claimed to have led the Foundation to subscribe for the bank's shares issued as part of the capital increase in March 2012. In later years, these shares went on to decline in value considerably, resulting in a loss quantified at approximately €52 million.

During the trial the Bank of Italy joined the suit, upholding the lack of capacity to be sued invoked by UBI, by virtue of the provisions of Legislative Decree 180/2015 governing the resolution procedure for Banca delle Marche. The Court rejected all preliminary applications filed and adjourned the case to 13 July 2021 for the entry of conclusions. After the entry of conclusions, the parties have filed their closing briefs.

The Court of Milan, in a ruling published in May 2023, having ascertained and declared the lack of capacity to be sued of ISP, as the company that absorbed UBI, rejected the Foundation's claim and ordered that each party pay its own legal fees. The deadline for the appeal is pending.

Fondazione Cassa Risparmio di Jesi

In January 2016, Fondazione Cassa di Risparmio di Jesi brought a compensation claim against UBI Banca (as the alleged successor-in-interest to the issuer Banca Marche S.p.A.[26]) and PwC (the independentent auditors that certified all the financial statements and the figures presented in the Prospectus) alleging that the defendants published data and information regarding the financial performance and position of Banca delle Marche S.p.A. that later proved to be totally incorrect and misleading. This information, contained in the financial statements as at 31 December 2010 and 30 June 2011 and included in the Prospectus, is claimed to have led the Foundation to subscribe for the bank's shares issued as part of the capital increase in March 2012. The value of these shares then fell to zero, resulting in a loss quantified at approximately €25 million.

During the trial the Bank of Italy joined the suit, upholding the lack of capacity to be sued invoked by the former UBI Banca, by virtue of the provisions of Legislative Decree 180/2015 governing the resolution procedure for Banca delle Marche.

By a judgment rendered on 18 March 2020, the Court of Ancona granted the objection of lack of capacity to be sued raised by the bank, rejecting the claims lodged. In the appeal brought by the Foundation, the Court of Appeal of Ancona, by judgment filed on 17 July 2023, rejected the appeal brought by the adverse party and upheld the first instance judgment, ordering the appellant to pay the costs of the proceedings to Intesa Sanpaolo. The deadline for an appeal is pending.

Alitalia Group: Claw-back actions

In August 2011, companies of the Alitalia Group under Extraordinary Administration– namely Alitalia Linee Aeree, Alitalia Servizi, Alitalia Airport and Alitalia Express – brought five bankruptcy claw-back proceedings against the Bank before the Court of Rome (of which one against the former Cassa di Risparmio di Firenze), requesting the repayment of a total of €44.6 million.

When the proceedings were initiated, a line of defence was adopted based mainly on the grounds that the actions were invalid due to the vagueness of the claims, that the condition of knowledge of the Alitalia Group's state of insolvency (subject first of the Air France plan and then of the subsequent rescue conducted by the Italian Government) did not apply, and that the credited items were not eligible for claw back, due to the specific nature of the account movements.

25 See the previous note
26 See the previous note

As the initial attempts to reach a settlement agreement had failed, in March 2016, the Court of Rome upheld Alitalia Servizi's petition and ordered the Bank to repay around €17 million, plus accessory costs. In addition to being contestable on the merits, the ruling was issued before the deadline for filing of the final arguments.

Accordingly, in the appeal subsequently lodged, a preliminary objection was made regarding the invalidity of the judgment, together with an application for suspension of its provisional enforceability, which was upheld by order of 15 July 2016 of the Court of Appeal. Conversely, Alitalia Linee Aeree and Alitalia Express lawsuits were won at first instance. The bankruptcy receivers filed an appeal, which, for Alitalia Express, was concluded in our favour, with the receivers subsequently submitting an appeal to the Court of Cassation.
For Alitalia Airport, which was also won at first instance, the favourable judgment has become final.

The lawsuit brought against the former Cassa di Risparmio di Firenze was also won in the first two instances, with the adverse party filing an appeal to the Court of Cassation. The entire dispute, following long negotiations which were restarted in the meantime, was settled in November 2022, awarding the amount of €12.8 million to the adverse party.

Elifani Group

Lawsuit brought in 2009 by Edilizia Immobiliare San Giorgio 89 S.r.l. (now incorporated into Eselfin, which filed an appearance as its replacement), San Paolo Edilizia S.r.l., Hotel Cristallo S.r.l. and the guarantor-shareholder Mario Elifani seeking compensation for damages suffered due to alleged unlawful conduct by the Bank for having requested guarantees disproportionate to the credit granted, enforced pledge guarantees, applied usurious interest to mortgage loans and submitted erroneous reports to the Central Credit Register. The initially claimed amount was approximately €116 million and the dispute refers to the same circumstances mostly already cited in the disputes regarding anatocism and interest in excess of the legal amount brought by the aforementioned companies in 2004 and settled in early 2014. The lawsuit had a favourable outcome for the Bank in both the first and second instances. By order of 27 December 2019, the Court of Cassation partially granted the adverse parties' petition, with referral of the matter. The adverse parties resumed the lawsuit before the Milan Court of Appeal, quantifying the claim at a total of approximately €100 million.

With a ruling of June 2022, the Court of Appeal of Milan, reviewing the case, rejected the claims made by the claimants, ordering them to pay the legal fees. This ruling was also appealed before the Court of Cassation by the adverse parties, with appeal served on 30 November 2022.

Mariella Burani Fashion Group S.p.A. in liquidation and bankruptcy ("MBFG")

In January 2018 the receiver to Mariella Burani Fashion Group S.p.a. sued its former directors and statutory auditors, its independent auditors and the former UBI Banca (as the company that absorbed Centrobanca), seeking a judgment ordering compensation for alleged damages suffered due to the many acts of mismanagement of the company while in good standing.

According to the claimant's arguments, Centrobanca, which was merged into the former UBI Banca, provided financial support to the parent company of the bankrupt company (Mariella Burani Holding S.p.A.) in 2008, in an operation on its subsidiary, despite the signs of insolvency that the latter began to show in September 2007, causing damages quantified at approximately €92 million.

On a preliminary level, the bank argued that the receiver lacked capacity to sue since the disputed loan had been disbursed to the parent company of Mariella Burani Fashion Group S.p.a.; moreover, the alleged damages for which the receiver claims compensation were argued to have been in fact sustained by the company's creditors (and not by the procedure).

With regard to the merit of the claims, the bank stressed that it had acted properly and the borrower in good standing was solely liable since it bore exclusive responsibility for preparing the untrue financial statements, circulating the misinformation and continuing to operate the company in an alleged state of insolvency.

During the second quarter of 2023, the bank settled the dispute by means of disbursement covered by a previous prevision and the subsequent waiver of the claims by the receiver.

SIM Bankruptcy

By writ of summons served in October 2022, the receiver to SIM S.p.A. summoned Intesa Sanpaolo (along with another 7 banks) before the Court of Catania, with the first hearing scheduled for 31 March 2023.
This is a compensation claim brought for damages allegedly suffered by the company and its creditors due to conduct by the banks defined by the adverse party as "unlawful", which allegedly resulted in the unlawful granting of credit.
The claim for damages has been quantified at around €47 million, requesting that the defendant banks be jointly ruled against.

Offering of diamonds

In October 2015, the Bank signed a partnership agreement with Diamond Private Investment (DPI) governing how diamond offerings were made by DPI to the customers of Intesa Sanpaolo. The aim of this initiative was to provide customers with a diversification solution with the characteristics of a "safe haven asset" in which to allocate a marginal part of their assets over the long-term. Diamonds had already been sold for several years by other leading national banking networks.

This recommendation activity was carried out primarily in 2016, with a significant decline starting from the end of that year. A total of around 8,000 customers purchased diamonds, for a total of around €130 million. The marketing process was based on criteria of transparency, with safeguards progressively enhanced over time, including quality controls on the diamonds and the fairness of the prices applied by DPI.

In February 2017, the AGCM (the Italian Competition Authority) brought proceedings against companies that marketed diamonds, (DPI and other companies), for alleged conduct in breach of the provisions on unfair business practices.

In April, those proceedings were extended to the banks that carried out the recommendation of the services of those companies.

At the end of those proceedings, on 30 October 2017, the AGCM notified the penalties imposed for the alleged breach of the Consumer Code through the conduct of DPI and of the banks which the proceedings had been extended to, consisting - in short - of having provided partial, deceptive and misleading information on the characteristics of the diamond purchases, the methods used to calculate the price - presented as being the market price - and the performance of the market. The Authority issued a fine of €3 million against Intesa Sanpaolo, reduced from the initial fine of €3.5 million, after the Authority had recognised the value of the measures taken by Intesa Sanpaolo from 2016 to strengthen the safeguards on the offering process aimed, in particular, at ensuring proper information was provided to customers.

Following the order by the AGCM, the Bank paid the amount of the fine and filed an appeal with the Lazio Regional Administrative Court against the order. With reference to that appeal, on 16 November 2022, the Regional Administrative Court confirmed the fine and the Bank will appeal to the Council of State. From November 2017, the Bank:

- terminated the partnership agreement with Diamond Private Investment (DPI) and ceased the activity, which had already been suspended in October 2017;
- started a process that provides for the payment to customers of the original cost incurred for the purchase of the diamonds and the withdrawal of the stones, in order to satisfy the customers' resale needs which, due to the illiquidity that had arisen in the market, are not met by DPI;
- sent a communication in January 2018 to the diamond-holding customers reiterating the nature of the stones as durable goods, and also confirming the Bank's willingness to intervene directly in relation to any realisation needs expressed by the customers and not met by DPI.

In 2022, 34 requests were received for around €0.5 million. At the end of the year, a total of 6,854 repurchase requests had been received from customers and met by the Bank, for a total value of €116.3.

The valuation of the repurchased diamonds is carried out using the values provided by the IDEX Diamond Retail Benchmark, one of the main online trading platforms used in the main markets by over 7,000 traders.

In February 2019, an order for preventive criminal seizure of €11.1 million was served, corresponding to the fee and commission income paid by DPI to the Bank. The preliminary investigations initiated by the Public Prosecutor's Office of Milan also concern four other banks (more involved) and two companies that sell diamonds. In October 2019, the notice of conclusion of the investigation was served, which stated that two of the Bank's operators were currently under investigation for alleged aggravated fraud (in collusion with other parties to be identified) and other persons are being identified for allegations of self-laundering, while ISP is being charged with the administrative offence pursuant to Italian Legislative Decree 231/2001 in relation to this latter predicate offence.

In reaction to the latter claims, in July 2021, the hearing was held, in which the Preliminary Investigation Judge accepted the plea bargain request which Intesa Sanpaolo had submitted solely to bring to an end the lengthy legal proceedings and which had been supported by the Public Prosecutor's Office – issuing a ruling which ordered only a financial penalty of €100,000, and the confiscation of only the sums constituting the profit from the offence of self-laundering, calculated at €61,000.

Following the partial transfer of the proceedings to the Court of Rome, for reasons of territorial jurisdiction in August 2022 the revocation of the preventive seizure executed in February 2019 regarding the profit from the alleged crime of fraud was served, with full restitution to the Bank of the amount of €11 million.

In January 2023 the filing was confirmed of the request to dismiss the case against the two relationship managers under investigation, on the grounds of "the act not constituting an offence". The request for dismissal was also made in respect of two other employees, on the grounds of "not having committed the act", as no evidence against them had emerged during the investigation. The Preliminary Investigation Judge will now need to rule on these requests for dismissal.

Private banker (Sanpaolo Invest)

An inspection conducted by the Audit function identified serious irregularities by a private banker of the former Sanpaolo Invest SIM. The checks carried out revealed serious irregularities affecting several customers, including misappropriation of funds and reports with false incremental amounts. On 28 June 2019, the company terminated the agency contract with the private banker due to just cause and communicated the findings to the Judicial Authority and the Supervisory Body for financial advisors, which first suspended and then removed the private banker from the Register of Financial Advisors in December 2019.

Following the unlawful actions, the company received a total of 278 compensation claims (including complaints, mediation proceedings and lawsuits), for a total amount of approximately €62.9 million, mostly based on alleged embezzlement, losses due to disavowed transactions in financial instruments, false account statements and the debiting of fees relating to advisory service. There are currently 55 pending claims, with a present value of approximately €25.5 million, following the resolution of 223 positions.

The total amount of €6.4 million was recovered from the improperly credited customers (and already returned to the customers harmed) and there are pending attachments of approximately €42 million.

A precautionary attachment was ordered against the private banker for an amount equal to the balance found in the accounts and deposits held with credit institutions and the social-security position with Enasarco. In the ensuing case on the merits, the former private banker filed a counterclaim in the total amount of €0.6 million by way of non-payment of indemnity for termination of the relationship.

Another lawsuit was also brought against former private bankers to recover the claims arising from withdrawal from the agency contract, in the total amount of €1.6 million, in addition to interest by way of indemnity in lieu of notice, penalty relating to a loan agreement and reimbursement of advances of bonuses.

Adequate provisions have been set aside for the risks associated with the unlawful conduct discussed above, mainly for the damages verified relating to compensation claims and pending lawsuits.

The above provisions do not consider the coverage envisaged by the specific insurance policy in force, under which the insurance company has already paid an initial advance of €744 thousand.

Reyl & Cie (Switzerland) – Proceedings pursuant to Legislative Decree 231/2001 of the Public Prosecutor's Office of the Court of Milan

The Public Prosecutor's Office of Milan initiated criminal proceedings pursuant to Legislative Decree 231/2001 against Reyl & Cie (a Swiss subsidiary of Fideuram – Intesa Sanpaolo Private Banking) for the predicate offence of money laundering, allegedly committed by one of its former employees (dismissed in 2020), and ordered the seizure of securities owned by Reyl for around €1.1 million. The proceedings also involve the Swiss bank Cramer & Cie. Neither Fideuram ISPB nor ISP are currently involved in the proceedings. The circumstances alleged relate to events that took place in 2018, before Reyl & Cie joined the Intesa Sanpaolo Group in May 2021. According to the prosecution, the former employee, together with his brother, an employee of the bank Cramer & Cie, and an external advisor, allegedly engaged in practices aimed at facilitating tax evasion by Italian customers through the transfer of accounts from Switzerland to branches located in the Bahamas, in order to allow those customers to withdraw money from those accounts without the possibility of being traced by the Italian authorities. With regard to the measure notified by the Swiss judicial authorities, the appeal is currently being prepared, whose filing, in any event, will be subject to a separate assessment before it is formalised. Instead, with regard to the criminal proceedings pursuant to Legislative Decree 231/2001 pending in Italy, the possibility is being evaluated of filing a petition for the reduction the amount thereof. Indeed, an examination of the documents of the proceedings has revealed elements indicating that it may be considered reasonable that such a petition would be upheld. A request for disqualification from operating in Italy has not been made against Reyl & Cie, although investigations are still pending and it is not yet possible to access the related documents.

Tirrenia di Navigazione in A.S.: Claw-back actions

In July 2013, Tirrenia di Navigazione in A.S. filed two bankruptcy claw-back actions before the Court of Rome against the former Cassa di Risparmio di Venezia for €2.7 million and against the former Banco di Napoli for €33.8 million.

The case against the former CR Venezia is now pending on appeal, filed by the Bank, following the order for payment of €2.8 million in 2016. The lawsuit against the former Banco di Napoli is also pending on appeal against the order for payment of approximately €14.5 million, plus accessory costs, issued by the Court in 2021. That order was not suspended, and, in October 2022, the Bank paid €15.2 million, reserving the right to be refunded in case of favourable outcome of the appeal. Against the appeal filed by the Bank, the adverse party filed an appearance, initiating a cross-appeal relating to the claim for return of the amount of €28 million deriving from a currency adjustment, a claim already rejected in the first instance and which is expected to also be rejected on appeal.

Lawsuit against two Hungarian subsidiaries of Intesa Sanpaolo

The lawsuit is connected with a lease agreement terminated by one of the subsidiaries in 2010. During 2011, the tenant initiated proceedings in civil court, and during 2021, it supplemented its initial claim, formulating new claims and, as a result, increasing the total of the claims to around €31 million.

In July 2022, the Court rejected all the plaintiff's claims, finding that it lacked standing. The plaintiff filed an appeal against that decision.

In December 2022, the Court of Appeal partially upheld the adverse party's appeal, ordering one of the two defendant companies to pay around €9.5 million. The relevant subsidiary filed an appeal before the Supreme Court, which suspended the enforcement of the challenged ruling.

A decision in favour of the subsidiary, upholding its arguments, was issued on April 2023. In the third quarter of 2023, plaintiff initiated proceedings before the Constitutional Court claiming violation of the Hungarian Charter of Fundamental Rights. The admissibility of the action is currently being examined.

Intesa Sanpaolo's subsidiaries took action in 2012 for the recognition of their receivables claimed against the tenant resulting from unpaid lease rentals. These proceedings are currently pending.

Labour litigation

In line with the situation as at 31 December 2022, as at 30 June 2023 there were no significant cases of labour litigation, from either a qualitative or quantitative standpoint. In general, all labour litigation is covered by specific provisions adequate to meet any outlays.

Contingent assets

As for contingent assets, and the IMI/SIR dispute in particular, it should be recalled that following the final judgement establishing the criminal liability of the corrupt judge Metta (and his accomplices Rovelli, Acampora, Pacifico, and Previti), the defendants were ordered to pay compensation for damages, with the determination of those damages referred to the civil courts. Intesa Sanpaolo then brought a case before the Court of Rome to obtain an order of compensation for damages from those responsible.

In its ruling of May 2015, the Court of Rome quantified the financial and non-financial damages for Intesa Sanpaolo and ordered Acampora and Metta – the latter also jointly liable with the Prime Minister's Office (pursuant to Law no. 117/1988 on the accountability of the judiciary) – to pay Intesa Sanpaolo €173 million net of tax, plus legal interest accruing from 1 February 2015 to the date of final payment, plus legal expenses. The amount ordered took account of the amounts received in the meantime by the Bank as part of the settlements with the Rovelli family and with the counterparties Previti and Pacifico. In July 2016, the Rome Court of Appeal stayed the enforcement of the judgment of first instance with respect to the amount in excess of €130 million, in addition to ancillary charges and expenses, and adjourned the hearing of the final pleadings to June 2018. As a result of this decision, in December 2016 the Office of the President of the Council of Ministers credited Intesa Sanpaolo with the sum of €131,173,551.58 (corresponding to the €130 million of the order, in addition to legal interest and reimbursement of expenses). To avoid dispute, only the exact amount of the order, without applying the gross-up, was demanded and collected. On 16 April 2020, the ruling of the Court of Appeal of Rome was filed, which essentially upheld the Court's ruling, while reducing the amount of non-financial damages to €8 million (compared to €77 million that had been quantified by the court of first instance), and set the amount to be paid at €108 million, to be considered net of tax, plus legal interest and expenses.

In the second quarter of 2020 the bank filed a petition for the correction of a material error contained in the finding regarding the calculation of the damages liquidated; the Court of Appeal rejected the bank's petition by ruling filed on 7 December 2020. In May 2021, the Bank filed an appeal with the Court of Cassation against the Rome Court of Appeal's ruling of 16 April 2020. The appeal sets out two main grounds:

(a) the reduction to € 8 million of the non-financial damages made by the Court of Appeal, compared to the €77 million recognised in the first instance ruling is arbitrary and devoid of any sound legal or logical reasoning;

(b) even accepting the reduction under point a), the Court made a miscalculation when redetermining the amount of total damages That aspect was already the subject of an application for material correction filed in 2020, rejected by the Court as the Court deemed it an issue that could be remedied through appeal.

By ruling no. 5682/2023, the Court of Cassation, partially upheld the grounds of appeal filed by Acampora and the Prime Minister's Office, overturning the second instance ruling, in relation to the claims upheld, and referring the case back to the Rome Court of Appeal for the application of the principles of law set forth in the ruling. The outcome differs both from the rulings made at the previous instances and from the conclusions, consistent with them, filed last December by the General Prosecutor at the Court of Cassation.

The Court applied a rule of pre-emption according to which the action for revocation, aimed at obtaining the return of the sums unduly paid, should precede the exercise of the action for damages, in clear conflict with the principles set out in the criminal proceedings in 2006 according to which the independence and dissimilarity of the two actions (the action for damages and the action for extraordinary revocation) "*rule out any interference between them and place each in its own sector, with the only limitation of not allowing the duplication of coinciding outcomes in terms of compensation and, therefore, undue enrichment*". In addition, it introduced a further and unprecedented rule of a procedural nature according to which, without prejudice to the right to obtain lost earnings and non-pecuniary damage, in order to claim compensation from the perpetrators of the offence (i.e. Acampora, Metta and the Government) for the damage arising, the

injured party, Intesa Sanpaolo, must prove that it had unsuccessfully enforced its claim against the party benefiting from the corrupt ruling.

After the investigations carried out and the opinions obtained from external professionals, the following legal initiatives were started.

1. Resumption of proceedings before the Rome Court of Appeal

On 19 May, the Bank notified the other parties involved (Metta, the Prime Minister's Office and Acampora) of the appeal, requesting: (i). as the main claim, on the merits, the award, in addition to the other damages, of the damage arising, subject to correction of the miscalculation made at the time by the Rome Court of Appeal, in consideration of the fact that the "prejudicial conditions" set out by the Court of Cassation had been met because the Bank had pursued the recovery, both in and out of court, of the sums paid to the beneficiary as a result of the revoked ruling. In the event that the main claim is not upheld, the Bank requested at least the award of the lost earnings and non-pecuniary damage; (ii). subordinately to the merits, a reference for a preliminary ruling to the Court of Justice of the European Union (CJEU) pursuant to Article 267 of the Treaty on the Functioning of the European Union (TFEU) for breach of the Treaty on European Union (TEU), highlighting the arbitrary limitation of the right to compensation provided for by the Special Law on damages caused by judges in the performance of their duties (Law 117/88) resulting from the application of the principles set out by the Court of Cassation in its recent ruling. The first hearing is scheduled for 31 October next.

2. Appeal to the European Court of Human Rights (ECtHR) for breach of the European Convention on Human Rights (ECHR)

The Bank filed an appeal with the European Court of Human Rights against the Italian government on the grounds that the conditions set by the Court of Cassation for the Bank to bring an action for damages against those obliged to pay compensation appear to be contrary to the protections envisaged by the ECHR. The Registry of the European Court of Human Rights has communicated that the application lodged by the Bank has been registered, which implies that on initial summary examination, the grounds brought by the Bank have not been found to be manifestly inadmissible, as otherwise a single Judge would have immediately declared the application inadmissible pursuant to Article 27 of the European Convention on Human Rights. Although the ECHR may yet declare the application inadmissible at a later stage of the proceeding following a more thorough evaluation of the file, the fact that it has been registered is a positive initial signal, given that a very high percentage of applications (approximately 90%) are dismissed immediately without further investigation. There will now be a second assessment of admissibility by the Judge-Rapporteur. If this is successful, the case on the merits will be established.

3. Appeal to the First Instance Tax Court

The Bank has brought proceedings before the Tax Court to obtain the credit claim of 33.2 million euro, at the time paid as withholding tax for overdue interest on the compensation for damages under the 1994 ruling paid to Mrs Battistella, as Nino Rovelli's heir.

Tax litigation

The Group's tax litigation risks are covered by adequate provisions to the allowances for risks and charges.

No new disputes of a significant amount involving Intesa Sanpaolo arose during the third quarter of 2023.

The size of pending disputes has decreased significantly, also thanks to the "tax truce" that both the Parent Company and Intesa Sanpaolo Private Banking ("ISPB") made use of (lower claims of 13.2 million for ISP, of which 9.3 million in the quarter, and 47.4 million for ISPB).

Tax Proceedings related to the Issuer

As at 30 September 2023, the Parent Company Intesa Sanpaolo had 431 proceedings pending (483 as at 30 June 2023) for a total amount claimed (taxes, penalties and interest) of €112.4 million (€125.4 million as at 30 June 2023), considering both administrative and judicial proceedings in both the lower and higher courts.

In relation to these proceedings, the actual risks were quantified for Intesa Sanpaolo at €45.6 million as at 30 September 2023 (€57.4 million as at 30 June 2023).Compared to 30 June 2022, the main events that influenced the reduction in the amount claimed (-13.0 million euro) were:

- an increase (around €5.3 million), due to: 4.6 million euro in respect of a long-standing claim by the Portuguese tax authorities on the discontinued Sanpaolo IMI Bank International S.A. (based in Madeira), which was charged with having failed to apply withholding taxes in 2002, 2003 and 2004 on interest paid to foreign bondholders. The increased provision was necessary in order to take into account the most recent certificate of pending tax liabilities issued by the Portuguese tax authorities, which for the first time sets forth the criteria for calculating interest on the principal tax claim; ii) 0.2 million euro in respect of municipal property tax (IMU) on property from terminated and current leasing contracts; iii) 0.2 million euro in respect of new disputes for registration tax on judicial documents, and iv) 0.3 million euro in interest accrued on pending litigation;

- a decrease (around €18.3 million), due to: i) 8.0 million in respect of the favourable final judgment of the Court of Cassation in July 2023 on the dispute on registration tax on the spin-off of a business line from Intesa Sanpaolo to State Street Bank, as the Court deemed that the transaction should not be reclassified a transfer of a going concern; ii) 0.1 million for the closure of disputes on registration tax, relating mainly to judicial documents; iii) 1.8 million for the closure of disputes on municipal property tax (IMU) on properties from both terminated and current leasing contracts, settled under the "tax truce" for 1.3 million; iv) 8.0 million for the closure of various disputes through a "tax truce"; v) 0.4 million for the closure of disputes relating to registration and cadastral and mortgage records taxes on the purchase of leased property.

In the three months ended September 30, 2023, 61 disputes were closed at the level of the Issuer for a total of €18.3 million with a disbursement of approximately €1.6 million.

Tax Proceedings related to Group Companies

With regard to Group companies, the following developments occurred also during the nine months of 2023 in the tax proceedings in which we are a party. In all cases, we have determined the amounts not to be material and therefore have not made any specific provisions, unless otherwise stated below.

For **Banca Fideuram**, as a result of the Issuer's appeal, three lawsuits are pending before the Court of Cassation concerning the failure to withhold 27% of the interest accrued in 2009, 2010 and 2011 on foreign bank accounts held at Intesa Sanpaolo Wealth Management S.A. (formerly Fideuram Bank (Luxembourg) S.A.) by two Luxembourg mutual funds (Fonditalia and Interfund SICAV), for which Banca Fideuram was only the placement bank and correspondent bank (total value of the disputes of €9.3 million). As the Issuer lost in the second instance of all the proceedings, it was decided, after consultation with the consultant engaged to assist in the cases pending before the Court of Cassation, to set up a provision for risks, including penalties and interest.

In addition to the parent company, **Intesa Sanpaolo Private Banking** ("ISPB") also made use of the settlement of disputes pursuant to Italian Law No. 197 of 29 December 2022 ("Budget Law 2023"), the "tax truce" with regard to 5 of the 7 pending disputes on IRES and IRAP tax assessments (notified solely for IRES purposes also to ISP as consolidating entity) for the years from 2011 to 2017. These tax assessments challenged the tax deduction of the amortisation of goodwill arising from contributions received by ISPB in 2009, 2010 and 2013 and released by ISPB by using the option for the realignment of tax values to balance sheet values pursuant to Article 15, paragraph 10, of Italian Law Decree No. 185/2008.

Although we are fully convinced of the soundness of the tax behaviour adopted over the years and of the defence arguments, in order to take advantage of the economic-financial opportunity offered by the tax truce, it was decided, in agreement with the consultant in charge of managing the litigation, to settle for the years 2011, 2013, 2014, 2015 and 2017. This choice was influenced by the following aspects: i) the fact that the total amount for taxes paid by way of substitute tax and provisional tax as well as for the settlement was for each of the aforementioned years lower than the higher tax assessed; ii) the non application of penalties and interest (amounting to approximately 26 million euro as at 30 September); iii) the right to deduct from the cost of the settlement the substitute tax of 16% paid at the time by ISPB as recognised by the same Italian Revenue Agency in its response to question No. 158 of 27 May 2019.

Said “tax truce” for ISPB led to a decrease in amount claimed for € 47.4 million with a disbursement of €5.9 million.

Provis is facing imminent or ongoing municipal property tax ("**IMU**") and municipal tax ("**TASI**") claim procedures, collectively valued at €3.8 million. The associated risk provision, including legal expenses, is estimated at €4.2 million.

Eurizon Capital SGR and then **Epsilon SGR** were audited by the Italian Revenue Agency, Lombardy Regional Directorate, Large Taxpayers Office, with regard to transfer prices charged in the relationships with Eurizon Capital SA Luxembourg.

It should be noted that the first claim dates back to the end of 2022 and concerned the year 2016 of Eurizon Capital SGR alone. The Office revised its initial position (higher Italian taxable income of €151.1 million, corresponding to higher taxes of €50 million, interest of 9.6 million euro and penalties of €45 million, for a total charge of €104.6 million) and formulated a settlement proposal - accepted in April 2023 - which provided for: (i) recognition of the CUP as a suitable method, with positioning of the benchmark in the third quartile and (ii) reduction of the higher Italian taxable income from €151.1 million to €26.8 million, the consequent reduction of the higher taxes from €50 million to €8.8 million and of interest from 9.6 million euro to 1.8 million euro, and the non-application of penalties. Ultimately, the 2016 tax audit on Eurizon Capital SGR closed with a total disbursement of 10.6 million euro (about 10% of the initial total claim).

In the following months, discussions with the Office continued for the years 2017 and 2018 of both Eurizon Capital SGR and Epsilon SGR. In detail, these discussions were formally initiated: the Office’s tax audit continued with the notification to Eurizon in June 2023 of a questionnaire for 2017 and with the start of the tax audit on Epsilon in April 2023 for tax year 2017, then extended in September 2023 for tax year 2018.

The Bank’s position is aimed at obtaining (i) firstly, confirmation of the soundness of the CUP as a tax audit method and consequently the non-application of penalties (as is well known, in transfer pricing matters, the correctness of the method adopted ensures protection from penalties) and then (ii) the positioning of the benchmark on the first quartile or the median.

There have been developments concerning foreign subsidiaries as well during the year.

Cargeas Assicurazioni – now merged into Intesa Sanpaolo Assicura – underwent a tax audit by the Italian Revenue Agency, Lombardy Regional Directorate, Large Taxpayers Office, aimed at verifying the correct application, for the years from 2010 to 2018, of the tax rules on private insurance and life annuity contracts pursuant to Law no. 1216 of 29 October 1961.

As a result of the audit, the authorities issued a claim against the company that redundancy insurance policies (which are mandatorily associated with salary-backed loans and optional with other mortgages, loans and consumer credit), should not be subject to tax on insurance premiums at a rate of 2.5%, but should, in the opinion of the Italian Revenue Agency, instead be classified as credit risk insurance policies, subject to a tax rate of 12.5%. In particular:

- on 25 May 2021, Cargeas received a notice of assessment for the year 2010 claiming a higher tax of 1.7 million euro, 0.6 million euro in interest and €3.4 million in penalties, for a total of 5.7 million euro. The notice was appealed in 2021 and by ruling no. 2396/2022 the Milan Provincial Tax Commission upheld Cargeas’ appeal annulling the notice. In February 2023, the Italian Revenue Agency filed an appeal with the Lombardy Tax Court against the aforementioned ruling no. 2396/2022, in response to which counterclaims were filed by the absorbing company Intesa Sanpaolo Assicura S.p.A. in April 2023;

- on 6 June 2022, Cargeas received a notice of assessment for the year 2011 claiming a higher tax of 1.3 million euro, 0.5 million euro in interest and 2.8 million euro in penalties, for a total of 4.6 million euro. This notice was also appealed in 2022, and in its recent ruling no. 967 of 20 March 2023, the Milan First Instance Tax Court upheld the company’s appeal annulling the notice. The term for the Office’s appeal is pending;

- on 19 May 2023, the absorbing company Intesa Sanpaolo Assicura received a notice of assessment for the year 2012 claiming a higher tax of 0.2 million euro and penalties of 0.4 million euro, plus interest of 0.1 million euro. An appeal was filed in June 2023.

The company believes that the risk of a negative outcome is possible, but not probable. Accordingly, it has not made any provision for taxes, penalties and interest, except for the cost of legal fees, estimated at 0.16 million euro.

In addition, on 3 July 2023, the absorbing company Intesa Sanpaolo Assicura was notified by the Italian Revenue Agency of two measures of partial cancellation due to internal review, pursuant to Article 2 quater of Law Decree no. 564/94, converted by Law no. 656 of 30 November 1994, relating to the 2010 and 2011 notices of assessment. Following the cross-examination with the company and after having reviewed the documentation submitted, the Agency acknowledged that it was correct to classify this type of policy under the insurance contracts against redundancy risk subject to a reduced rate of 2.5% on the value of the premiums, as provided for in Article 14 of the General Tariff (Law no. 1916 of 29 October 1961), and recalculated the tax authorities' claim as follows: a) for 2010, tax due of 1.5 million euro, penalty of 1 million euro and interest as at 30 June 2023 of 0.6 million euro, for a total of 3.1 million euro (a reduction of 2.6 million euro compared to the original 5.7 million euro); and b) for 2011, tax due of 1.1 million euro, penalty of 0.8 million euro and interest as at 30 June 2023 of 0.4 million euro, for a total of 2.3 million euro (a reduction of 2.3 million euro compared to the original 4.6 million euro).

Lastly, regarding the same case, it should be noted that **Intesa Sanpaolo Assicura** received the following two questionnaires in April 2021: a) one relating to 2012 and 2013 for the former Bentos Assicurazioni, merged into Intesa Sanpaolo Assicura in December 2013; b) the second for 2012 for Intesa Sanpaolo Assicura. As a result of these questionnaires, in May 2023, the Italian Revenue Agency served three notices of assessment of which two related to the former Bentos Assicurazioni for 2012 (tax of 5 thousand euro, penalties of 12 thousand euro, plus interest) and 2013 (tax of 30 thousand euro, penalties of 75 thousand euro, plus interest) and one related to Intesa Sanpaolo Assicura for 2012 (tax of 0.3 million euro, penalties of 0.8 million euro, plus interest of 0.1 million euro).

Intesa Sanpaolo Bank Albania is primarily involved in: (i) a dispute concerning unrecoverable loan write-offs, leading to a claimed unjustifiable reduction in the taxable amount for direct tax from 2003 to 2007 (€1.3 million sought); and (ii) a former Veneto Banka dispute regarding tax return errors for 2013 is pending (€33 thousand sought). A dispute relating to tax return errors for 2011 was settled with a payment of €1 million.

Bank of Alexandria is undergoing two tax audits for corporate income tax for 2018 and stamp duty for 2019. Additionally, a dispute regarding non-payment of stamp duty by bank branches, totaling €2.1 million for tax periods 1984 – 2008 (previously €5.8 million as of December 31, 2021), is ongoing. The reduction in the claimed amount and the allowance for risks (negative €3.7 million) derives from the settlement of a portion of the disputes, using the related allowance for risks.

A dispute involving the foreign subsidiary UBI Trustee S.A., a Luxembourg-resident trust company, 2014 and 2015 was concluded without liabilities following an agreement with the tax authorities.

Finally, audits are in progress for IMI Securities by the State of New York for income tax for the years 2015 to 2017, and for EXELIA for the tax periods 2016 and 2017. No findings have been made in either case.

Lastly, there is a dispute pending in Brazil in relation to the former subsidiary **Banco Sudameris Brasil** (now Banco Santander Brasil), sold in 2003 to ABN AMRO Brasil (now the Santander Group), whose economic charge falls on Intesa Sanpaolo due to the commitments entered into with the seller at the time, which was not established through the Settlement Agreement of 2019 with Banco Santander Brasil. The dispute is known as "Causa PDD1" and is based on the issue of taxes on income and social security contributions for 1995.

In 2021, an initial judgement was delivered by the ordinary civil judge in a dispute concerning Banco Sudameris Brasil, our former subsidiary. The judgement, despite acknowledging several of the bank's objections, generally favored the Brazilian tax authorities. This judgement was subsequently appealed and is now awaiting a hearing in the second instance court. The financial risk related to this dispute amounts to €41.6 million, based on the exchange rate as of December 2022 (this equates to €35 million as of December 31, 2021). This figure corresponds to the security deposit paid by the bank to engage in civil court proceedings (216 million Brazilian real), which is listed as an asset in the balance sheet.

Two significant developments occurred.

First, on 13 June 2022, Professor Tercio Sampaio Ferraz issued an opinion that upheld Intesa Sanpaolo's argument that the 1995 settlement with the Brazilian tax authorities, governed by specific local law (Art. 17 of Brazilian Law no. 9799/1999), cannot be revisited. According to local advisors, those arguments confirm that a negative ruling in relation to the interest component (approximately €25.6 million of the deposit posted under balance sheet assets) is remote. On taxes and penalties (equal to a total of €16 million of the deposit) we prudentially confirm the provisions of 50% of that amount, totalling €8 million (an increase of €1.2 million compared to December 31, 2021). The increase is due to the appreciation of the Brazilian currency against the euro, compared to the exchange rate recorded at the end of 2021 for the valuation of the dispute and the related risk.

The second change regards the notification in October 2022 from the Brazilian tax authorities of a payment order for the alleged failure of the taxpayer to provide a deposit by order of the court to cover the tax debt, which is still being challenged. In that regard, a brief was submitted opposing that order, highlighting that the Brazilian tax authorities incorrectly calculated the value of interest accrued on the deposit by order of the court, which, instead, would more than cover the claim of the tax authorities. The local advisors confirmed that the document does not change the estimates of risk expressed to date with regard to that pending dispute.

REGULATORY SECTION

Changes in regulatory framework

The Intesa Sanpaolo Group is subject to extensive regulation and supervision by the Bank of Italy, the Italian Securities and Exchange Commission ("**CONSOB**"), the European Central Bank (the "**ECB**") and the European System of Central Banks and is also subject to the authority of the Single Resolution Board ("**SRB**"). Certain entities within the Intesa Sanpaolo Group are also subject to supervision by the Italian Institute for the Supervision of Insurance and Intesa Sanpaolo S.p.A is also subject to rules applicable to it as an issuer of shares listed on the Milan Stock Exchange. The banking laws to which the Intesa Sanpaolo Group is subject govern the activities in which banks may engage and are designed to maintain the safety and soundness of such institutions and limit their exposure to risk. In addition, the Intesa Sanpaolo Group must comply with financial services laws that govern its marketing and selling practices. New acts of legislation and regulations may be introduced in Italy and the European Union that may affect the Intesa Sanpaolo Group, including proposed regulatory initiatives that could significantly alter the Intesa Sanpaolo Group's capital requirements.

The rules applicable to banks and other entities in banking groups include implementation of measures consistent with the regulatory framework set out by the Basel Committee on Banking Supervision (the "**Basel Committee**").

In accordance with the regulatory frameworks described above and consistent with the regulatory framework being implemented at the European Union level, the Intesa Sanpaolo Group has in place specific procedures and internal policies to monitor, among other things, liquidity levels and capital adequacy, the prevention and detection of money laundering, privacy protection, ensuring transparency and fairness in customer relations and registration and reporting obligations. Despite the existence of these procedures and policies, there can be no assurance that violations of regulations will not occur, which could adversely affect the Intesa Sanpaolo Group's results of operations, business and financial condition. In addition, as at the date of this Base Prospectus, certain laws and regulations have only been recently approved and the relevant implementation procedures are still in the process of being developed.

The CRD IV Package

The Basel III framework began to be implemented in the EU from 1 January 2014 through Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (the "**CRD IV**") and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (the "**CRR**" and together with the CRD IV, the "**CRD IV Package**"), Delegated Regulation (EU) 2015/61 and its supplements and the Implementing Regulation (EU) 2016/313. The CRD IV Package has been subsequently updated by Regulation (EU) No. 2019/876 ("**CRR II**") and Directive (EU) No. 2019/878 ("**CRD V**").

Full implementation began on 1 January 2014, with particular elements being phased in over a period of time (the requirements were largely fully effective by 2019 and some minor transitional provisions provide for phase-in until 2024). Further details on the implementation of the EU Banking Reform Package (as defined below) are provided in the paragraph "*Revisions to the CRD IV Package*" below.

The provisions of the CRR are supplemented, in Luxembourg, by the CSSF Regulation N°18-03 on the implementation of certain discretions contained in the CRR and implementing Guideline (EU) 2017/697 of the European Central Bank of 4 April 2017 on the exercise of options and discretions available in Union law by national competent authorities in relation to less significant institutions and by technical regulatory and execution rules relating to the CRD IV and the CRR published through delegated regulations of the European Commission and guidelines of the EBA. The CRD IV was implemented in Luxembourg by the Luxembourg law of 5 April 1993 on the financial sector, as amended (the "**Banking Act 1993**"). The CSSF has supplemented the Banking Act 1993 by adopting certain regulations.

The provisions of the CRR are supplemented in Ireland by the European Union (Capital Requirements) (No. 2) Regulations 2014 of Ireland with respect to technical requirements and offences in order that the CRR can effectively operate in Irish law. The CRD IV was transposed into Irish law by the European Union (Capital Requirements) Regulations 2014 of Ireland. The CRR and CRD IV are also supplemented in Ireland by the document published by the Central Bank of Ireland in 2014 entitled "Implementation of

Competent Authority Discretions and Options in CRD IV and CRR" (with respect to implementation in Ireland of certain discretions and options available to Member States under the CRD IV Package) and by technical rules relating to the CRD IV and the CRR published through delegated regulations of the European Commission and guidelines of the EBA.

In Italy the CRD IV was implemented by Legislative Decree no. 72 of 12 May 2015 which impacted, *inter alia*, on:

(i) proposed acquirers of credit institutions' holdings, shareholders and members of the management body requirements (Articles 22, 23 and 91 CRD IV);

(ii) competent authorities' powers to intervene in cases of crisis management (Articles 102 and 104 CRD IV);

(iii) reporting of potential or actual breaches of national provisions (so-called whistleblowing, Article 71 CRD IV); and

(iv) administrative penalties and measures (Articles 64 and 65 CRD IV).

Moreover, the Bank of Italy published new supervisory regulations on banks in December 2013 (Circular of the Bank of Italy No. 285 of 17 December 2013 (the "**Circular No. 285**")) which came into force on 1 January 2014 and has been amended over time in order to implement, *inter alia*, the CRD IV Package, as amended by the EU Banking Reform Package, and set out additional local prudential rules concerning matters not harmonised at EU level. Circular No. 285 has been constantly updated after its first issue, the last update being the 43rd update published on 5 December 2023. The CRD IV Package, as amended by the EU Banking Reform Package, has also been supplemented in Italy by technical standards and guidelines relating to the CRD IV and the CRR finalized by the European Supervisory Authorities (ESAs), mainly the EBA and ESMA, and delegated regulations of the European Commission and guidelines of the EBA.

According to Article 92 of the CRR, institutions are required at all times to satisfy the following own funds requirements: (i) a Common Equity Tier 1 ("**CET1**") capital ratio of 4.5%; (ii) a Tier 1 Capital ratio of 6%; (iii) a Total Capital Ratio of 8% and; (iv) a leverage ratio of 3%. According to Articles from 129 to 134 of CRD IV, these minimum ratios are complemented by the following capital buffers to be met with CET1 capital, reported below:

- *Capital conservation buffer*: set at 2.5 per cent from 1 January 2019 (pursuant to Article 129 of the CRD IV and Part I, Title II, Chapter I, Section II of Circular No. 285);

- *Counter-cyclical capital buffer* ("**CCyB**"): set by the relevant competent authority between 0% - 2.5% of credit risk exposures towards counterparties each of the home Member State, other Member States and third countries (but may be set higher than 2.5 % where the competent authority considers that the conditions in the Member State justify this), with gradual introduction from 1 January 2016 and applying temporarily in the periods when the relevant national authorities judge the credit growth excessive (pursuant to Article 130 of the CRD IV and Part I, Title II, Chapter I, Section III of Circular No. 285). The Bank of Italy has set, and decided to maintain, the CCyB (relating to exposures towards Italian counterparties) at 0% for the fourth quarter of 2023;

- *Capital buffers for globally systemically important banks* ("**G-SIBs**"): set as an "additional loss absorbency" buffer varying depending on the sub-categories on which the globally systemically important institutions ("**G-SIIs**") are divided into. The lowest sub-category shall be assigned a G-SII buffer of 1 % of the total risk exposure amount calculated in accordance with Article 92(3) of the CRR and the buffer assigned to each sub-category shall increase in gradients of at least 0,5 % of the total risk exposure amount calculated in accordance with Article 92(3) of the CRR. G-SIBs is. determined according to specific indicators (size, interconnectedness, lack of substitutes for the services provided, global cross border activity and complexity); and being phased in from 1 January 2016 (pursuant to Article 131 of the CRD IV and Part I, Title II, Chapter I, Section IV of Circular No. 285), became fully effective on 1 January 2019. Based on the most recently updated list of G-SIIs published by the Financial Stability Board ("**FSB**"), neither the Issuer (nor any member of the Intesa Sanpaolo Group) is a G-SIB and therefore they do not need to comply with a G-SIB capital buffer requirement (or leverage ratio buffer); and

- *Capital buffers for other systemically important banks at a domestic level* ("**O-SIIs**"): (the category to which Intesa Sanpaolo currently belongs): up to 3.0% as set by the relevant competent authority (reviewed at least annually), to compensate for the higher risk that such banks represent to the financial system (pursuant to Article 131 of the CRD IV and Title II, Chapter 1, Section IV of Circular No. 285). Recently, the Bank of Italy identified Intesa Sanpaolo Group as an O-SII authorised to operate in Italy in 2024 and has imposed on the Intesa Sanpaolo Group a capital buffer for O-SII of 1.25%, to be applied from 1st January 2024.

In addition to the above listed capital buffers, under Article 133 of the CRD IV each Member State may introduce a systemic risk buffer in order to prevent and mitigate long term non-cyclical systemic or macro-prudential risks not covered by the CRD IV Package.

With update No. 38 of 22 February 2022, the Circular No. 285 of 17 December 2013 was amended in order to provide, *inter alia*, the introduction of:

(i) the possibility for the Bank of Italy to activate the systemic risk buffer (**SyRB**) for banks and banking groups authorised in Italy. In particular, the requirement to maintain a systemic risk buffer of Common Equity Tier 1 is intended to prevent and mitigate macro-prudential or systemic risks not otherwise covered with the macro-prudential instruments provided for by the CRR, the anti-cyclical capital buffer and the capital buffers for G-SII and for O-SII. The buffer ratio for systemic risk can be applied to all exposures or to a subset of exposures and to all banks or to one or more subsets of banks with similar risk profiles; and

(ii) some macro-prudential instruments based on the characteristics of customers or loans (so-called "borrower-based measures"). Specifically, these are measures that are not harmonised at European level, which can be used to counter systemic risks deriving from developments in the real estate market and from high or rising levels of household and non-financial corporate debt.

Furthermore, with update No. 39 of 13 July 2022, the Circular 285 was amended in order to align its provisions with Articles 104 to 104c of the CRD V Directive. In particular, the amendments introduced to Part I, Chapter 1, Title III of the Circular 285 provide, inter alia, the introduction of:

(i) a clear differentiation between components of P2R estimated from an ordinary perspective and the Pillar 2 Guidance determined from a stressed perspective which supervisory authorities may require banks to hold; and

(ii) the possibility for supervisory authorities to require additional capital in the presence of excessive leverage risk, under both ordinary and stressed conditions (P2R and Leverage Ratio and Pillar 2 Guidance Leverage Ratio).

Failure by an institution to comply with the buffer requirements described above (the "**Combined Buffer Requirement**") may trigger restrictions on distributions by reference to the so-called Maximum Distributable Amounts ("**MDA**") and the need for the bank to adopt a capital conservation plan and/or take remedial action (Articles 141 and 142 of the CRD IV).

A further rule introduced by the CRR II, applicable in respect of liabilities issued before 27 June 2019, allows for the "grandfathering" of instruments as, respectively, Additional Tier 1 instruments, Tier 2 instruments and eligible liabilities, even if they do not fully comply with certain requirements of the CRR II. This treatment is available until 28 June 2025 at the latest.

The CRD IV Package also introduced a Liquidity Coverage Ratio (the "**LCR**"). This is a stress liquidity measure based on modelled 30-day outflows. Commission Delegated Regulation (EU) 2015/61 of 10 October 2014 supplementing the CRR with regard to liquidity coverage requirement for credit institutions (the "**LCR Delegated Act**") was adopted in October 2014 and published in the Official Journal of the European Union in January 2015. On 20 May 2022, amendments to the LCR Delegated Act were published in the Official Journal (Commission Delegated Regulation (EU) 2022/786 of 10 February 2022) and applied as of July 2022. Most of these amendments were introduced to better allow the credit institutions issuing covered bonds to comply, on one hand, with the general liquidity coverage requirement for a 30 calendar day stress period and, on the other hand, with the cover pool liquidity buffer requirement, as laid down by Directive (EU) 2019/2162 of the European Parliament and of the Council. The Net Stable Funding Ratio ("**NSFR**") is part of the Basel III framework and aims to promote resilience over a longer time horizon (1

year) by creating incentives for banks to fund their activities with more stable sources of funding on an on-going basis. The NSFR were introduced as a requirement in the CRR II published in June 2019 and is applicable from June 2021.

Revisions to the CRD IV Package

On 23 November 2016, the European Commission presented a comprehensive package of reforms to further strengthen the resilience of EU banks and investment firms (the "**EU Banking Reform Package**"). The EU Banking Reform Package amends many existing provisions set out in the CRD IV Package, the BRRD and the SRM Regulation (as such terms are defined below). These proposals were agreed by the European Parliament, the Council of the EU and the European Commission and were published in the Official Journal of the EU on 7 June 2019 entering into force 20 days after, even though most of the provisions are applicable as of 28 June 2021, allowing for a smooth implementation of the new provisions.

The EU Banking Reform Package includes:

(i) revisions to the standardised approach for counterparty credit risk;

(ii) changes to the market risk rules which include the introduction first of a reporting requirement pending the implementation in the EU of the latest changes to the FRTB (as defined below) published in January 2019 by the BCBS and then the application of own funds requirements as of 1 January 2023;

(iii) a binding leverage ratio (and related improved disclosure requirements) introduced as a backstop to risk-weighted capital requirements and set at 3% of an institution's Tier 1 capital;

(iv) a binding NSFR (which will require credit institutions and systemic investment firms to finance their long-term activities (assets and off-balance sheet items) with stable sources of funding (liabilities) in order to increase banks' resilience to funding constraints). This means that the amount of available stable funding will be calculated by multiplying an institution's liabilities and regulatory capital by appropriate factors that reflect their degree of reliability over a year. The NSFR will be expressed as a percentage and set at a minimum level of 100%, indicating that an institution holds sufficient stable funding to meet its funding needs during a one-year period under both normal and stressed conditions. The NSFR will apply at a level of 100% at individual and a consolidated level starting from 28 June 2021, unless competent authorities waive the application of the NSFR on an individual basis as of two years after the date of entry into force of the EU Banking Reform Package;

(v) Changes to the large exposures limits, now calculated as the 25% of Tier 1; and

(vi) Improved own funds calculation adjustments for exposures to SMEs and infrastructure projects.

In particular, on 7 June 2019, the legal acts of the "EU Banking Reform Package" regarding the banking sector have been published on the EU Official Journal. Such measures include, together with the amendments to the BRRD and to SRMR, (i) CRR II amending the CRR as regards the leverage ratio, the net stable funding ratio, requirements for own funds and eligible liabilities, counterparty credit risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements, and (ii) CRD V amending the CRD IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures. The amendments proposed better align the current regulatory framework to international developments in order to promote consistency and comparability among jurisdictions.

Such measures entered into force on 27 June 2019, while a) the CRR II is applicable from 28 June 2021, excluding some provisions with a different date of application (early or subsequent), b) the CRD V and BRRD 2 were to be implemented into national law by 28 December 2020 excluding some provisions entered into force subsequently. On 30 November 2021, Legislative Decree no. 193 of 8 November 2021, implementing the BRRD 2, was published in the *Gazzetta Ufficiale* and entered into force on 1 December 2021.

Moreover, it is worth mentioning that the Basel Committee on Banking Supervision ("**BCBS**") concluded the review process of the models (for credit risk, counterparty risk, operational risk and market risk) for the

calculation of minimum capital requirements, including constraints on the use of internal models and introducing the so-called "output floor" (setting a minimum level of capital requirements calculated on the basis of internal models equal, when fully implemented, to 72.5 per cent. of those calculated on the basis of the standardised methods). The main purpose is to enhance consistency and comparability among banks. The new framework was finalised for market risk in 2016 and finally revised in January 2019. The new framework for credit risk and operational risk was completed in December 2017. Basel III and Basel IV (as defined below) should be fully implemented with the reform package proposed by the European Commission in October 2021.

On 27 October 2021, the European Commission published, as part of a legislative package that includes also amendments to CRD IV (the so-called **CRD VI**), the text of the proposal to amend the CRR II (**CRR III** and jointly with the CRD V the **2021 Banking Reform Package**). In particular, the 2021 Banking Reform Package aims at implementing in the EU the 2017 Basel Accord and further elements not included in such international framework contributing to financial stability and to the steady financing of the economy in the context of the post-COVID 19 crisis recovery. This general objective can be broken down in four more specific objectives:

(i) to strengthen the risk-based capital framework, without significant increases in capital requirements overall;

(ii) to enhance the focus on ESG risk in the prudential framework;

(iii) to further harmonise supervisory powers and tools; and

(iv) to reduce institutions' administrative costs related to public disclosure and to improve access to institutions prudential data.

(v) to insert in the CRR a dedicated treatment for the indirect subscription of instruments eligible for internal MREL (i.e. "daisy chain approach").

In June 2023, the European Parliament and Council reached a provisional agreement on the 2021 Banking Reform Package. The new rules amending the CRR II are expected to apply from 1 January 2025 with certain elements of the regulation phasing in over the coming years. Changes to the CRD IV will have to be transposed by Member States by mid-2025. Once implemented in the Union, the regulatory changes brought by the 2021 Banking Reform Package will impact the entire banking system and consequently could determine changes in the capital calculation and increase capital requirements.

Regular monitoring exercise includes also a monitoring exercise to assess the impact of the Basel III framework on a sample of EU banks that the EBA conducts in coordination and in parallel with the BCBS (**Basel III Monitoring Exercise**). This exercise assesses the impact of the latest regulatory developments at BCBS level in the following area: (a) global regulatory framework for more resilient banks and banking systems; (b) the Liquidity Coverage Ratio and liquidity risk monitoring tools; (c) the leverage ratio framework and disclosure requirements; (d) the Net Stable Funding Ratio; and (e) the post-crisis reforms.

The impact of the Basel III is assessed using mostly the following measures:

(i) percentage impact on minimum required Tier 1 capital (MRC);

(ii) impact, in basis point, on the current actual Tier 1 capital ratio; and

(iii) Tier 1 capital shortfall resulting from the full implementation of Basel III, namely the capital amount that banks need to fulfil the Basel III MCR.

According to EBA Decision no. EBA/DC/2021/373, concerning information required for the monitoring of Basel supervisory standards published on 18 February 2021, as subsequently amended, (**EBA Decision**), the Basel III Monitoring Exercise is mandatory, on an annual basis, for a representative set of EU and EEA credit institutions identified by the relevant competent authorities.

On 26 September 2023, EBA published its first mandatory Basel III Monitoring Report which assess the impact that Basel III full implementation will have on EU banks in 2028. According to this assessment, the full Basel III implementation would result in an average increase of 12.6% of the current Tier 1 minimum

required capital. Thus, to comply with the new framework, banks would need EUR 0.6 billion of additional Tier 1 capital.

On 4 May 2020, EBA published its final draft technical standards on specific reporting requirements for market risk, in accordance with the mandate set out in the provisions of the CRR II.

In particular, the implementing technical standards (ITS) introduced uniform reporting templates, the template related instructions, the frequency and the dates of the reporting, the definitions and the IT solutions for the specific reporting for market risk. These ITS introduce the first elements of the Fundamental Review of the Trading Book (FRTB) into the EU prudential framework by means of a reporting requirement. Based on the ITS submitted by the EBA, the European Commission adopted the Implementing Regulation no. 2021/453/EU of 15 March 2021 which applied from 5 October 2021.

As a final note, on 12 October 2023, the EBA published a report on the role of environmental and social risks in the prudential framework of credit institutions and investment firms. Taking a risk-based approach, the report recommends targeted enhancements to accelerate the integration of environmental and social risks across the Pillar I. In particular, the EBA proposed to: (i) including environmental risk as part of stress testing programmes under both the internal ratings-based (IRB) and the internal model approaches (IMA) under the Fundamental Review of the Trading Book; (ii) encourage inclusion of environmental and social factors as part of external assessment by the credit rating agencies; (iii) encourage the inclusion of environmental and social factors as part of the due diligence requirements and evaluation of immovable property collateral; (iv) require institutions to identify whether environmental and social factors constitute triggers of operational risk losses; and (v) progressively develop environment-related concentration risk metrics as part of supervisory reporting.

Revisions to the Basel III framework

In December 2017, the Basel Committee published of its final set of amendments to its Basel III framework (known informally as "**Basel IV**"). Basel IV is expected to introduce a range of measures, including:

(i) changes to the standardised approach for the calculation of credit risk;

(ii) limitations to the use of IRB approaches, mainly banks will be allowed to use the F-IRB approach and the SA, only for specialised lending the A-IRB will be still used;

(iii) a new framework for determining an institution's operational risk charge, which will be calculated only by using a new standardised approach;

(iv) an amended set of rules in relation to credit valuation adjustment; and

(v) an aggregate output capital floor that ensures that an institution's total risk weighted assets ("**RWA**") generated by IRB models are no lower than 72.5% of those generated by the standardised approach.

According to the Basel Committee, Basel IV should be introduced as a global standard from January 2022, with the output capital floor being phased-in (starting at 50% from 1 January 2022 and reaching 72.5% as of 1 January 2025). In this occasion, the Basel Committee postponed the suggested implementation date for the Fundamental Review of the Trading Book ("**FRTB**") has been postponed by the Basel Committee to January 2025 to allow it to finalise the remaining elements of the framework and align the implementation date with the other Basel IV reforms.

Additional reforms to the banking and financial services sector

In addition to the substantial changes in capital and liquidity requirements introduced by Basel IV and the EU Banking Reform Package there are several other initiatives, in various stages of finalisation, which represent additional regulatory pressure over the medium term and have the potential to impact the Intesa Sanpaolo Group's business and operations. These initiatives include, amongst others, a revised EU securitisation framework. On 12 December 2017, the European Parliament adopted the Regulation (EU) 2017/2402 (the "**Securitisation Regulation**") which entered into force in January 2019, while a number of underlying regulatory and implementing technical standards delivered by the EBA and ESMA are being adopted. The Securitisation Regulation introduced changes to the existing securitisation framework in relation to the nature of the risk retention obligation and due diligence requirements, the introduction of an adverse selection test for certain assets and a new framework for so-called "simple transparent and

standardised securitisations" which will receive preferential capital treatment subject to a number of conditions.

On 9 November 2015, the Financial Stability Board ("**FSB**") published its final Total Loss-Absorbing Capacity ("**TLAC**") Principles and Term Sheet, proposing that G-SIBs maintain significant minimum amounts of liabilities that are subordinated (by law, contract or structurally) to liabilities excluded from TLAC, such as guaranteed insured deposits, derivatives, etc. and which forms a new standard for G-SIBs. The TLAC Principles and Term Sheet contains a set of principles on loss absorbing and recapitalisation capacity of G-SIBs in resolution and a term sheet for the implementation of these principles in the form of an internationally agreed standard. The TLAC Principles and Term Sheet require a minimum TLAC requirement for each G-SIB at the greater of (a) 16% of RWA (as of 1 January 2019) and 18% of RWA (as of 1 January 2022), and (b) 6% of the Basel III Tier 1 leverage ratio requirement (as of 1 January 2019), and 6.75 % (as of 1 January 2022). Liabilities that are eligible for TLAC include capital instruments and instruments that are contractually, statutorily or structurally subordinated to certain "excluded liabilities" (including insured deposits and liabilities that cannot be effectively written down or converted into equity by relevant authorities) in a manner that does not give rise to a material risk of compensation claims or successful legal challenges.

With a view to ensuring full implementation of the TLAC standard in the EU, the EU Banking Reform Package and the BRRD2 introduce minimum requirements for own funds and eligible liabilities ("**MREL**"), which apply to EU credit institutions, including G-SIIs (global systematically important institutions). Consistent with the TLAC standard, MREL requirements allow resolution authorities, on the basis of bank-specific assessments, to require that G-SIIs comply with a supplementary MREL requirement strictly linked to the resolvability analysis of a given G-SII. Based on the most recently updated list of G-SIIs published by the FSB on 27 November 2023, neither the relevant Issuer nor any member of the Intesa Sanpaolo Group has been identified as a G-SIB in the 2023.

The BRRD2 includes important changes as it introduces a new category of banks, the so-called top-tier banks, being banks which are resolution entities that are not G-SIIs but are part of a resolution group whose total assets exceed €100 billion. ISP is a top-tier bank for this purpose. At the same time, the BRRD2 introduces a minimum harmonised MREL requirement (also referred to as a "**Pillar 1 MREL requirement**") which applies to G-SIIs and top-tier banks. In addition, resolution authorities will be able, on the basis of bank-specific assessments, to require that G-SIIs and top- tier banks comply with a supplementary MREL requirement (a "**Pillar 2 MREL requirement**"). A subordination requirement is also generally required for MREL eligible liabilities under BRRD2, but exceptions apply.

In order to ensure compliance with MREL requirements, and in line with the FSB standard on TLAC, the BRRD2 provides that in case a bank does not have sufficient eligible liabilities to comply with its MREL requirements, the resultant shortfall is automatically filled up with CET1 Capital that would otherwise be counted towards meeting the combined capital buffer requirement. However, under certain circumstances, BRRD2 envisages a nine-month grace period before restrictions to discretionary payments to the holders of regulatory capital instruments senior management of the bank and employees take effect due to a breach of the combined capital buffer requirement. Delegated regulation 2021/763 (EU), applicable since 28 June 2021, lays down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council and Directive 2014/59/EU of the European Parliament and of the Council with regard to the supervisory reporting and public disclosure of the minimum requirement for own funds and eligible liabilities.

On 12 March 2018, the Commission published a proposal for a directive on covered bonds (the On 12 March 2018, the Commission published a proposal for a directive on covered bonds (the "**CB Directive Proposal**") laying down the conditions that these bonds have to respect in order to be recognised under EU law and a proposal for amendments to art. 129 of the CRR, concerning the prudential treatment of covered bonds. The CB Directive Proposal together with amendments to art 129 of the CRR have been approved and published in the Official Journal on 18 December 2019. Member States have an 18 month period to implement the directive. The CB Directive was transposed into the Italian legal framework by means of Legislative Decree 5 November 2021, No. 190 which modified Law 30 April 1999, No.130 and entered into force on 1 December 2021.

ECB Single Supervisory Mechanism

On 15 October 2013, the Council of the European Union adopted Council Regulation (EU) No. 1024/2013 conferring specific tasks on the ECB concerning policies relating to the prudential supervision of credit institutions (the "**SSM Regulation**") for the establishment of a single supervisory mechanism (the "**Single Supervisory Mechanism**" or "**SSM**"). The SSM Regulation provides the ECB, in conjunction with the national competent authorities of the Eurozone and participating Member States, with direct supervisory responsibility over "banks of significant importance" in those Member States. "Banks of significant importance" include any Eurozone bank in relation to which (i) the total value of its assets exceeds €30 billion or – unless the total value of its assets is below €5 billion – the ratio of its total assets over the national gross domestic product exceeds 20%; (ii) is one of the three most significant credit institutions established in a Member State; (iii) has requested, or is a recipient of, direct assistance from the European Financial Stability Facility or the European Stability Mechanism and/or (iv) is considered by the ECB to be of significant relevance where it has established banking subsidiaries in more than one participating Member State and its cross-border assets/liabilities represent a significant part of its total assets/liabilities. Intesa Sanpaolo S.p.A. and the Intesa Sanpaolo Group have been classified, respectively, as a significant supervised entity and a significant supervised group pursuant to the SSM Regulation and Regulation (EU) No. 468/2014 of the European Central Bank of 16 April 2014 (the "**SSM Framework Regulation**") and, as such, are subject to direct prudential supervision by the ECB.

The relevant national competent authorities continue to be responsible, in respect of Intesa Sanpaolo and its subsidiaries, for supervisory functions not conferred on the ECB, such as consumer protection, money laundering, payment services, and supervision over branches of third country banks. The ECB is exclusively responsible for the prudential supervision of Intesa Sanpaolo Group, which includes, *inter alia*, the power to: (i) authorise and withdraw authorisation; (ii) assess acquisition and disposal of holdings; (iii) ensure compliance with all prudential requirements laid down in general EU banking rules; (iv) set, where necessary, higher prudential requirements to protect financial stability under the conditions provided by EU law; (v) ensure compliance with robust corporate governance practices and internal capital adequacy assessment controls and (vi) intervene at the early stages when risks to the viability of a bank exist, in coordination with the relevant resolution authorities. The ECB may exercise options and discretions under the SSM and SSM Framework Regulation in relation to the Intesa Sanpaolo Group.

The Intesa Sanpaolo Group is subject to the provisions of the EU Bank Recovery and Resolution Directive

On 2 July 2014, the directive providing for the establishment of an EU-wide framework for the recovery and resolution of credit institutions and investment firms (Directive 2014/59/EU) (the "**BRRD**") entered into force. The BRRD is designed to provide authorities with a credible set of tools to intervene sufficiently early and quickly in an institution that is failing or likely to fail so as to ensure the continuity of the institution's critical financial and economic functions, while minimising the impact of an institution's failure on the economy and financial system. The BRRD contains four resolution tools and powers which may be used alone (except for the asset separation tool) or in combination where the relevant resolution authority considers that (a) an institution is failing or likely to fail, (b) there is no reasonable prospect that any alternative private sector measures would prevent the failure of such institution within a reasonable timeframe, and (c) a resolution action is in the public interest: (i) sale of business - which enables resolution authorities to direct the sale of the firm or the whole or part of its business on commercial terms; (ii) bridge institution - which enables resolution authorities to transfer all or part of the business of the firm to a "bridge institution" (an entity created for this purpose that is wholly or partially in public control); (iii) asset separation - which enables resolution authorities to transfer assets to one or more publicly owned asset management vehicles to allow them to be managed with a view to maximising their value through eventual sale or orderly wind-down (this can be used together with another resolution tool only) and (iv) bail-in - which gives resolution authorities the power to write down certain claims of unsecured creditors of a failing institution and to convert certain unsecured debt claims (including the Senior Preferred Notes, Senior Non-Preferred Notes and Subordinated Notes) into shares or other instruments of ownership (i.e. other instruments that confer ownership, instruments that are convertible into or give the right to acquire shares or other instruments of ownership, and instruments representing interests in shares or other instruments of ownership) (the "**general bail-in tool**"). Such shares or other instruments of ownership could also be subject to any exercise of such powers by a resolution authority under the BRRD.

In addition to the general bail-in tool, the BRRD provides for resolution authorities to have the further power to permanently write-down/convert into shares or other instruments of ownership (including the

Subordinated Notes) at the point of non-viability and before any other resolution action is taken ("**non-viability loss absorption**"). Any shares issued to holders of Subordinated Notes upon any such conversion may also be subject to any application of the general bail-in tool. The point of non-viability under the BRRD is the point at which the relevant authority determines that the institution meets the conditions for resolution (but no resolution action has yet been taken) or that the institution or its group will no longer be viable unless the relevant capital instruments (including the Subordinated Notes) are written-down/converted or extraordinary public support is to be provided.

Resolution authorities have the power to amend or alter the maturity of certain debt instruments (such as the Senior Preferred Notes, Senior Non-Preferred Notes and Subordinated Notes) issued by an institution under resolution, amend the amount of interest payable under such instruments, the date on which the interest becomes payable (including by suspending payment for a temporary period) and to restrict the termination rights of holders of such instruments. The BRRD also provides for a Member State, after having assessed and exhausted the above resolution tools to the maximum extent possible whilst maintaining financial stability, to be able to provide extraordinary public financial support through additional financial stabilisation tools. Resolution authorities may provide public equity support to an institution and/or take the institution into public ownership. Such measures must be taken in accordance with the EU state aid framework and will require a contribution to loss absorption from shareholders and creditors via write-down, conversion or otherwise, in an amount equal to at least 8 % of total liabilities (including own funds).

As an exemption from these principles, the BRRD allows for three kinds of extraordinary public support to be provided to a solvent institution without triggering resolution: 1) a State guarantee to back liquidity facilities provided by central banks according to the central banks' conditions; 2) a State guarantee of newly issued liabilities; or 3) an injection of own funds in the form of precautionary recapitalisation. In the case of precautionary recapitalization EU state aid rules require that shareholders and junior bond holders (such as holders of the Subordinated Notes) contribute to the costs of restructuring.

The SRM provides for the setting up of a Single Resolution Fund in the relevant Member State (the "**SRF**" or the "**Fund**"), established under the control of the SRB, as of 1 January 2016 in which the national resolution funds had been pooled together. The SRF is intended to ensure the availability of funding support while a bank is resolved and will contribute to resolution if, and only after, at least 8 % of the total liabilities (including own funds) of the bank have been subject to bail-in. The SRF is expected to reach a target of around €80 billion (the basis being 1 per cent. of the covered deposits in the financial institutions of the Eurozone). Once this target level is reached, in principle, institutions will have to contribute only if the resources of the SRF are used up in order to deal with resolution action taken by the relevant authorities. The BRRD has been implemented in Italy through the adoption of two Legislative Decrees by the Italian Government, namely, Legislative Decrees No. 180/2015 and 181/2015 (together, the "**BRRD Decrees**"), both of which were published in the Italian Official Gazette (*Gazzetta Ufficiale*) on 16 November 2015. Legislative Decree No. 180/2015 is a stand-alone law which implements the provisions of BRRD relating to resolution actions, while Legislative Decree No. 181/2015 amends the existing Banking Law (Legislative Decree No. 385 of 1 September 1993, as amended) and deals principally with recovery plans, early intervention and changes to the creditor hierarchy. The BRRD Decrees entered into force on 16 November, 2015, save that: (i) the bail-in tool applied from 1 January 2016; and (ii) a "depositor preference" granted for deposits other than those protected by the deposit guarantee scheme and excess deposits of individuals and SME's applied from 1 January 2019.

It is important to note that, pursuant to Article 49 of Legislative Decree No. 180/2015, resolution authorities may not exercise the bail-in powers in relation to secured liabilities, including covered bonds or their related hedging instruments, save to the extent that these powers may be exercised in relation to any part of a secured liability (including covered bonds and their related hedging instruments) that exceeds the value of the assets, pledge, lien or collateral against which it is secured. The BRRD specifically contemplates that *pari passu* ranking liabilities may be treated unequally. Accordingly, holders of Senior Preferred Notes, Senior Non-Preferred Notes and Subordinated Notes of a particular Series may be subject to write-down/conversion upon an application of the general bail-in tool while other Series of Senior Preferred Notes, Senior Non-Preferred Notes or, as appropriate, Subordinated Notes (or, in each case, other *pari passu* ranking liabilities) are partially or fully excluded from such application of the general bail-in tool. Further, although the BRRD provides a safeguard in respect of shareholders and creditors upon application of resolution tools, Article 75 of the BRRD sets out that such protection is limited to the incurrence by shareholders or, as appropriate, creditors, of greater losses as a result of the application of the relevant tool than they would have incurred in a winding up under normal insolvency proceedings. It is therefore possible not only that the claims of other holders of junior or *pari passu* liabilities may have been excluded from the

application of the general bail-in tool and therefore the holders of such claims receive a treatment which is more favourable than that received by holders of Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes, but also that the safeguard referred to above does not apply to ensure equal (or better) treatment compared to the holders of such fully or partially excluded claims. This is due to the fact that the safeguard is not intended to address such possible unequal treatment but rather to ensure that shareholders or creditors do not incur greater losses in a bail-in (or other application of a resolution tool) than they would have received in a winding up under normal insolvency proceedings.

Certain categories of liability are subject to the mandatory exclusions from bail-in foreseen in Article 44(2)(g) of the BRRD. For instance, most forms of liability for taxes, social security contributions or to employees benefit from privilege under Italian law and as such are preferred to ordinary senior unsecured creditors in the context of liquidation proceedings. Article 108 of the BRRD requires that Member States modify their national insolvency regimes such that deposits of natural persons and micro, small and medium sized enterprises in excess of the coverage level contemplated by deposit guarantee schemes created pursuant to the BRRD have a ranking in normal insolvency proceedings which is higher than the ranking which applies to claims of ordinary, unsecured, non-preferred creditors, such as holders of Senior Preferred Notes. In addition, the BRRD does not prevent Member States, including Italy, from amending national insolvency regimes to provide other types of creditors, with rankings in insolvency higher than ordinary, unsecured, non-preferred creditors. Legislative Decree No. 181/2015 has amended the creditor hierarchy in the case of admission of Italian banks and investment firms to resolution as well as compulsory liquidation procedures by providing that, as from 1 January 2019, all deposits other than those protected by the deposit guarantee scheme and excess deposits of individuals and SMEs will benefit from a preference in respect of senior unsecured liabilities, though with a ranking which is lower than that provided for individual/SME deposits exceeding the coverage limit of the deposit guarantee scheme. On 25 October 2017 the European Parliament, the Council and the European Commission agreed on elements of the review of the BRRD. As part of this process Article 108 of the was amended by Directive (EU) 2017/2399. Member States were required to adopt and publish relevant laws, regulations and administrative provisions necessary to comply with the amendment to the creditor hierarchy by 29 December 2018. The recognition of the new class of so-called "Senior Non-Preferred Debt" has been implemented in the EU through the Directive (EU) 2017/2399 of the European Parliament and of the Council of 12 December 2017 amending BRRD as regards the ranking of unsecured debt instruments in insolvency hierarchy. In Italy, the Directive has been implemented with the law No. 205/2017, modifying article 12*bis* of the Consolidated Banking Act.

Legislative Decree No. 181/2015 has also introduced strict limitations on the exercise of the statutory rights of set-off normally available under Italian insolvency laws, in effect prohibiting set-off by any creditor in the absence of an express agreement to the contrary. Since each holder of Subordinated Notes and the holders of the Senior Preferred Notes will have expressly waived any rights of set-off, counterclaim, abatement or other similar remedy which they might otherwise have, under the laws of any jurisdiction, in respect of such Senior Preferred Notes, Senior Non-Preferred Notes or Subordinated Notes, it is clear that the statutory right of set-off available under Italian insolvency laws will likewise not apply.

The powers set out in the BRRD will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors. As indicated above, holders of Senior Preferred Notes, Senior Non-Preferred Notes and Subordinated Notes may be subject to write-down/conversion into shares or other instruments of ownership on any application of the general bail-in tool and, in the case of Subordinated Notes, non- viability loss absorption.

The BRRD also established that institutions shall meet, at all times, their MREL requirement. Under Article 45 of the BRRD, MREL is to be calculated as the amount of own funds and eligible liabilities expressed as a percentage of total liabilities and own funds of the institution or based on the leverage ratio exposure measure, according to Article 429 and 429a of the CRR II.

Revisions to the BRRD framework

The EU Banking Reform Package included Directive (EU) 2019/879, which provides for a number of significant revisions to the BRRD (known as "**BRRD2**"). BRRD2 provides that Member States are required to ensure implementation into local law by 28 December 2020 with certain requirements relating to the implementation of the TLAC standard applying from January 2022 while the transitional period for full compliance with MREL requirements is foreseen until 1 January 2024, with interim targets for a linear build-up of MREL set at 1 January 2022. The EU Banking Reform Package includes, amongst other things:

(i) full implementation of the FSB's TLAC standard in the EU and revisions to the existing MREL regime. Additional changes to the MREL framework include changes to the calculation methodology for MREL, criteria for the eligible liabilities which can be considered as MREL, the introduction of internal MREL and additional reporting and disclosure requirements on institutions;

(ii) introduction of a new category of "top-tier" banks, being banks which are resolution entities that are not G-SIIs but are part of a resolution group whose total assets exceed €100 billion;

(iii) the introduction of a new moratorium power for resolution authorities and requirements on the contractual stays in resolution; and

(iv) amendments to the article 55 regime in respect of the contractual recognition of bail-in.

Changes to the BRRD under BRRD2 will impact how credit institutions and investment firms are managed as well as, in certain circumstances, the rights of creditors.

On 1 December 2021, Legislative Decree no. 193 of 8 November 2021 (**Decree No. 193**), implementing the BRRD2 into the Italian jurisdiction, entered into force, amending Legislative Decree no. 180/2015 (**Decree no. 180**) and the Banking Law.

The provisions set forth in the Decree No. 193 includes, among other things:

(i) Changes to the MREL regulatory framework

The amendments introduced to Legislative Decree no. 180/2015 aligned the Italian regulatory framework regulating MREL, and the criteria according to which it is determined, to the provisions set forth in BRRD2.

In particular, the amended version of Decree No. 180 clearly envisages that MREL shall be determined by the Bank of Italy on the basis of the following criteria:

(a) the need to ensure that the application of the resolution tools to the resolution entity is adequate to meet the resolution's objectives;

(b) the need to ensure that the resolution entity and its subsidiaries belonging to the same corporate group subject to resolution have sufficient own funds and eligible assets to ensure that, if the bail-in tool or write-down or conversion powers, respectively, were to be applied to them, looses could be absorbed and that it is possible to restore the total capital ratio and, as applicable, the leverage ratio to a level necessary to enable them to continue to comply with the conditions for authorisation, according to the regulatory framework currently in force, even if the resolution plan envisages the possibility for certain classes of eligible liabilities to be excluded from bail-in or to be transferred in full to a recipient under a partial transfer;

(c) the size, the business model, the funding model and the risk profile of the entity; and

(d) the extent to which the failure of the entity would have an adverse effect on financial stability, due to the interconnectedness of the entity with other institutions or entities or with the rest of the financial system.

(ii) New ranking for subordinated instruments of banks which do not qualify as own fund

Article 91 of the Banking Law has been modified by Decree No. 193 to transpose into the Italian legislative framework the provisions envisaged by Article 48(7) of the BRRD2.

In particular, according to the amended version of Article 91, subordinated instruments which do not qualify (and no part thereof is recognised) as own funds items shall rank senior to own funds items (including any instruments only partly recognised as own funds items) and junior to senior non-preferred instruments. Moreover, if own funds items cease, in their entirety, to be classified as such, they will rank senior to own funds items but junior to senior non-preferred instruments.

The abovementioned provisions also apply to instruments issued before the entrance into force of Decree No. 193, such as 1 December 2021.

(iii) New minimum denomination requirement

Article 12-*ter* of the Banking Law, introduced by Decree No. 193, provides for the determination of a minimum unit value for bonds and debt securities issued by banks or investment firms equal to Euro 200,000 for subordinated bonds and other subordinated securities or Euro 150,000 for Senior Non Preferred debt instruments (*"strumenti di debito chirografario di secondo livello"*).

Any contracts entered into with non professional investors and relating to investment services having as their object the instruments referred to in Article 12-*ter* of the Banking Law issued after 1 December 2021, that do not respect the minimum unit value, shall be declared as null and void (Article 25-*quarter* of the Financial Services Act, as amended by Decree No. 193).

Without prejudice to the restrictions outlined above on the sale to retail investors, the ban previously in force on the placement of Senior Non Preferred debt instruments with non qualified investors has been repealed by Article 5 of Decree No. 193.

It is worth mentioning that on 18 April 2023, the European Commission published a legislative proposal on the Crisis Management and Deposits Insurance (**CMDI Reform**) framework. The package consists of four legislative proposals that would amend existing EU legislation: the BRRD, the Deposit Guarantee Scheme Directive (**DGSD**) and the SRMR. New aspects of the framework could include: i) expanding the scope of resolution through a revision of the public interest assessment to include a regional impact so more eurozone banks could be brought into the resolution framework, ii) the use of deposit guarantee schemes to help banks, especially the small ones, to meet a key threshold for bearing losses of 8% of their own funds and liabilities, which then allows them to have access to the Single Resolution Fund, also funded by bank contributions, and help sell the problem banks' assets and fund their exit from the market, iii) amending the hierarchy of claims in insolvency and scrapping the "super-preference" of the DGS to put all deposits on equal pegging in an insolvency, but still above ordinary unsecured creditors with the aim of enabling the use of DGS funds in measures other than pay out of covered deposits without violating the least cost test. The proposal will need to be agreed by the Member States and the European Parliament, a process whose duration and outcome remains uncertain as at the date of this Base Prospectus.

Intesa Sanpaolo Group is subject to the provisions of the Regulation establishing the Single Resolution Mechanism

On 19 August 2014, the Regulation (EU) No. 806/2014 establishing a Single Resolution Mechanism (the "**SRM Regulation**") entered into force. The SRM Regulation became operational on 1 January 2016. There are, however, certain provisions including those concerning the preparation of resolution plans and provisions relating to the cooperation of the SRB with national resolution authorities, which entered into force on 1 January 2015. The SRM Regulation was subsequently updated with the EU Banking Reform Package in June 2019. The SRM Regulation, which complements the SSM (as defined above), applies to all banks supervised by the SSM. It will mainly consist of the SRB and the SRF.

Regulation (EU) No. 2019/877 of the European Parliament and of the Council of 20 May 2019 ("**SRM II Regulation**") amends the SRM Regulation as regards the loss-absorbing and recapitalization of credit institutions and investment firms.

The Single Resolution Mechanism framework ensures that, instead of national resolution authorities, there will be a single authority – i.e. the SRB – which takes all relevant decisions for the resolution of banks being supervised by the SSM and part of the Eurozone. In line with the changes to BRRD2 described above, revisions to the provisions of the SRM Regulation (in relation to MREL) are due to change in due course. In this context, as mentioned above, it is also worth mentioning that, as part of the CMDI Reform, amendments to the SRM, have been recently proposed by the European co-legislator. The main purpose of this legislative reform is to build on the objectives of the crisis management framework and to ensure a more consistent approach to resolution so that any bank in crisis can exit the market in an orderly manner, while preserving the financial stability, taxpayer money and ensuring deposit confidence.

Regulatory and supervisory framework on non-performing exposures

Among the measures adopted at European level in order to reduce the amount of non-performing exposures in banks balance sheets within adequate levels, the following are worth mentioning:

Guidance to banks on non-performing loans published by ECB on 20 March 2017 and Addendum to the Guidance to banks on non-performing loans published by ECB on 15 March 2018: the NPL guidance contains recommendations and lays out the bank's approach, processes and objectives regarding the effective management of the exposures. The guidance addresses all non-performing exposures ("**NPEs**"), as well as foreclosed assets, and touches on performing exposures with an elevated risk of turning non-performing, such as "watch-list" exposures and performing forborne exposures. According to the guidance, the banks need to establish a strategy to optimize their management of NPLs based on a self assessment of the internal capabilities to effectively manage; the external conditions and operating environment; and the impaired portfolios specifications.

On 15 March 2018, the ECB published the Addendum to the Guidance on NPL which sets out supervisory expectations for the provisioning of exposures reclassified from performing to nonperforming exposures (NPEs) after 1 April 2018 (the "**ECB Addendum"**). In addition, the ECB's bank-specific supervisory expectations for the provisioning of the stock of NPLs (before 31 March 2018), was set out in its 2018 supervisory review and evaluation process (SREP) letters and the ECB will discuss any divergences from these prudential provisioning expectations with institutions as part of future SREP exercises.

On 22 August 2019, the ECB decided to revise its supervisory expectations for prudential provisioning of new non-performing exposures. The decision was made after taking into account the adoption of Regulation (EU) 2019/630 amending the CRR (Regulation (EU) No 575/2013) as regards minimum loss coverage for non-performing exposures published in the Official Journal of the EU on 25 April 2019, also known as the "Pillar 1 Backstop Regulation", which introduces Pillar 1 provisioning requirements, following principles similar to those already guiding the finalisation of the ECB Addendum.

The initiatives that originate from the ECB are strictly supervisory (Pillar II) in nature. In contrast, the European Commission's requirement is legally binding (Pillar I). Therefore the above mentioned guidelines result in three "buckets" of NPEs based on the date of the exposure's origination and the date of NPE's classification:

- Loans classified as NPEs before 31 March 2018 (Pillar II - Stock): 2/7 years vintage buckets for unsecured/secured NPEs, subject to supervisory coverage recommendations and phase-in paths as communicated in SREP letters;

- Loans originated before 26 April 2019 (Pillar II – ECB Flows) and classified as NPEs after 31 March 2018: 3/7/9 years vintage buckets for unsecured/secured other than by immovable property/secured by immovable property, progressive path to 100%. NPEs guaranteed or insured by an official export credit agency are subject to a special treatment, i.e. coverage expectation of 100% is applicable to export credit exposures after more than 7 years of NPE status;

- Loans originated on or after 26 April 2019 (Pillar I – CRR Flows) and then classified as NPEs: 3/7/9 years vintage buckets for unsecured/secured other than by immovable property/secured by immovable property, progressive path to 100%. NPEs guaranteed or insured by an official export credit agency are subject to a special treatment, i.e. coverage expectation of 100% is applicable to export credit exposures after more than 7 years of NPE status.

Action plan to address the problem of non-performing loans in the European banking sector published by the European Council on 11 July 2017: the action plan outlines an approach based on a mix of four policy actions: the bank supervision; the reform of insolvency and debt recovery frameworks; the development of secondary markets for NPLs; promotion of the banking industry restructuring. An updated Action Plan was published in December 2020.

Guidelines on management of non-performing and forborne exposures published by the EBA on 31 October 2018: the Guidelines aim to ensure that credit institutions have adequate tools and frameworks in place to manage effectively their non-performing exposures (NPEs) and to substantially reduce the presence of NPEs on the balance sheet. Only for credit institutions with a gross NPL ratio above 5 per cent., the EBA asked to introduce specific strategies, in order to achieve a reduction of NPEs, and governance and operational requirements to support them.

Guidelines on disclosure of non-performing and forborne exposures published by the EBA on 17 December 2018 (as amended on 12 October 2022): in force since 31 December 2019, the Guidelines set enhanced disclosure requirements and uniform disclosure formats applicable to credit institutions' public disclosure

of information regarding nonperforming exposures, forborne exposures and foreclosed assets. The amending Guidelines published on 12 October 2022 will apply from 31 December 2022.

Regulation (EU) 2019/630 amending CRR as regards minimum loss coverage for non-performing exposures: the Regulation establishes, in the context of Pillar I, the prudential treatment of the non-performing exposures for loans originated prior to 26 April 2019, requiring a deduction from own funds where NPEs are not sufficiently covered by provisions or other adjustments. The Regulation's purpose is to encourage a timely and proactive management of the NPEs. Loans are divided in vintage buckets of 3/7/9 years and a progressive coverage path is applied for each bucket. A 100% coverage is applicable to: (i) unsecured exposures from the third year after the classification as NPE, (ii) exposures secured by immovable collateral and residential loans guaranteed by an eligible protection provider as defined in CRR, from the ninth year after the classification as NPE; and (iii) secured exposures, from the seventh year after the classification as NPE.

Directive (EU) 2021/2167 on credit servicers, credit purchasers and the recovery of collateral (COM/2018/0135): the proposal is aimed to achieve (i) a better management of NPLs by increasing the efficiency of debt recovery procedures through the availability of a distinct common accelerated extrajudicial collateral enforcement procedure (AECE); (ii) the development of secondary markets for NPLs in the EU's markets by harmonizing the regulatory regime for credit servicers and credit purchasers. The European Commision finalized and published on 8 December 2021, in the Official Journal of the European Union, the Directive no. 2021/2167 on credit services and credit purchasers (**NPLs Directive**). The NPLs Directive enters into force on the twentieth day following that of its publication in the Official Journal (i.e. 28 December 2021) and is expected to be implemented by the Member States by 29 December 2023.

The part of the Directive related to the AECE mechanism remains not adopted.

Opinion on the regulatory treatment of non-performing exposure securitisations published by the EBA on 23 October 2019: the Opinion recommends to adapt the CRR and the Regulation (EU) 2017/2401 (**Securitisation Regulation**) to the particular characteristics of NPEs by removing certain constraints imposed by the regulatory framework on credit institutions using securitisation technology to dispose of NPE holdings. In preparing its proposal to the European Commission, the EBA outlined the fact that the securitisations can be used to enhance the overall market capacity to absorb NPEs at a faster pace and larger rate than otherwise possible through bilateral sales only, as a consequence of securitisations' structure in tranches of notes with various risk profiles and returns, which may attract a more diverse investor pool with a different Risk Appetite.

On 24 July 2020, as part of the Capital Markets Recovery Package, the European Commission presented amendments to review, *inter alia*, some regulatory constraints in order to facilitate the securitisation of non-performing loans (i.e. increasing the risk sensitivity for NPE securitisations by assigning different risk weights to senior tranche). After the approval by the European Parliament at the end of March, on 6 April 2021, Regulation (EU) 2021/557 which introduces amendments to the Securitisation Regulation and Regulation (EU) 2021/558 amending Regulation (EU) 2013/575 as regards adjustments to the securitisation framework to support the economic recovery in response to the COVID-19 crisis were published on the Official Journal of the European Union. Both Regulations entered into force on 9 April 2021.

In addition, the European Commission published in December 2020 a new Action plan on tackling NPLs. In order to prevent a renewed build-up of NPLs on banks' balance sheets as a result of the COVID-19 pandemic, the European Commission proposed a series of actions with four main goals: (i) further develop secondary markets for distressed assets (in particular by finalizing the Directive on credit servicers, credit purchasers and the recovery of collateral; establishing a data hub at European level and reviewing the EBA templates to be used during the disposal of NPLs); (ii) reform the EU's corporate insolvency and debt recovery legislation; (iii) support the establishment and cooperation of national asset management companies at EU level; (iv) introduce precautionary public support measures, where needed, to ensure the continued funding of the real economy under the EU's Bank Recovery and Resolution Directive and State aid frameworks. As a result, the European Commission published on 18 October 2022 the Communication on the guidelines for a best-execution process for sales of non-performing loans on secondary markets. The main objectives of such communication are to (i) encourage good sell and buy-side processes for NPL transactions in EU secondary markets and, in particular, (ii) to help sellers and buyers that may have less experience with secondary market transactions throughout the sale process.

To further improve the transparency and efficiency of secondary market for NPLs, on 16 June 2021 the European Commission released a public consultation aimed at identifying and gathering information on remaining obstacles to the proper functioning of secondary markets for NPLs as well as possible enabling actions that could be taken to foster these markets by improving the quantity, quality and comparability of NPL data. The public consultation ended on 8 September 2021.

Measures to counter the impact of the "COVID-19" virus

European and national authorities have undertaken several measures to support the banking and financial market to counter the economic effects of COVID-19.

On 10 March 2020, through an addendum to the 2019 credit agreement between the Italian Banking Association ("**ABI**") and the Business Associations, the possibility of requesting suspension or extension was extended to loans granted until 31 January 2020. The moratorium refers to loans to micro, small and medium-sized companies affected by the COVID-19 outbreak. The capital portion of loan repayment instalments may be requested to be suspended for up to one year, later extended until 30 June 2021. The suspension is applicable to medium/long-term loans (mortgages), including those concluded through the issue of agricultural loans, and to property or business assets leasing transactions. In the latter case, the suspension concerns the implicit capital instalments of the leasing. On 21 April 2020, through an agreement entered into with the consumer associations, the moratorium was extended to credit to households, including the suspension of the principal portion of mortgage-backed loans and unsecured loans repayable in instalments.

The ECB, at its monetary policy meeting held on 12 March 2020, decided to adopt a comprehensive set of monetary policy measures, consisting of three key elements: first, safeguarding liquidity conditions in the banking system through a series of favourably-priced longer term refinancing operations (LTROs); second, protecting the continued flow of credit to the real economy through a fundamental recalibration of targeted longer term refinancing operations (TLTROs); and, third, preventing tightening of financing conditions for the economy in a pro-cyclical way via an increase in the asset purchase programme (APP).

As regards TLTRO, the Governing Council decided to apply considerably more favourable terms during the period from June 2020 to June 2022 to all TLTRO III operations outstanding during that time. Throughout this period, the interest rate on these TLTRO III operations will be 50 basis points below the average rate applied in the Eurosystem's main refinancing operations.

Recently, a significant upward revision in the outlook for medium-term inflation (since the end of 2021) as well as in 2022 an unexpected high increase of energy costs, supply deficiencies and trade disruption, mainly due to the Russian invasion of Ukraine, caused a material rise in inflation which call for a reassessment of the appropriate monetary policy stance.

As part of this re-evaluation package, on 27 October 2022, the Governing Council adopted decision no. 2022/2128 (**ECB Decision No. 2128**), whereby it decided that from 23 November 2022 until the maturity date or early repayment date of each outstanding TLTRO III operations (**TLTRO III Operations**), the interest rate on TLTRO III Operations will be indexed to the average applicable key ECB interest rates over this period and no longer over the entire life of the program tranche. The measures laid down by ECB Decision No. 2128 have modified the TLTRO III program in a more restrictive way by removing almost all remuneration incentives and resulted in a sharp worsening of the funding rate and thus ECB introduced a new early repayment window on the date of the change effectiveness to allow banks to exit the program before relative conditions change.

The Governing Council also added a temporary envelope of additional net asset purchases of Euro 120 billion until the end of 2020, ensuring a strong contribution from the private sector purchase programmes. On 18 March 2020 this was followed by the announcement of the Euro 750 billion Pandemic Emergency Purchase Program (**PEPP**), increased with a further Euro 600 billion on 4 June 2020. The Governing Council intends to reinvest the principal payments from maturing securities purchased under the PEPP until at least the end of 2024. In any case, the future roll-off of the PEPP portfolio will be managed to avoid interference with the appropriate monetary policy stance.

Among the various measures adopted by the Italian government to address the epidemiological emergency due to COVID-19 outbreak, on 17 March 2020 Law Decree No. 18 (Cura Italia Decree) was adopted. The Cura Italia Decree has introduced special measures derogating from the ordinary proceeding of the

Guarantee Fund for SMEs in order to simplify the requirements for access to the guarantee and strengthen the intervention of the Guarantee Fund for SMEs itself, as well as the possibility of transforming the DTA relating to losses that can be carried forward but not yet deducted and to the amount of the ACE ("***Aiuto alla Crescita Economica***") notional return exceeding the total net income, to the extent of 20 per cent. of the impaired loans sold by 31 December 2020.

On 27 March 2020, the Basel Committee's oversight body, the Group of Central Bank Governors and Heads of Supervision (GHOS), has deferred Basel III implementation to increase operational capacity of banks and supervisors to respond to the immediate financial stability priorities resulting from the impact of the COVID-19 on the global banking system.

The measures endorsed by the GHOS comprise the following changes to the implementation timeline of the outstanding Basel III standards:

- the implementation date of the Basel III standards finalised in December 2017 has been deferred by one year to 1 January 2023. The accompanying transitional arrangements for the output floor has also been extended by one year to 1 January 2028.

- the implementation date of the revised market risk framework finalised in January 2019 has been deferred by one year to 1 January 2023.

- the implementation date of the revised Pillar 3 disclosure requirements finalised in December 2018 has been deferred by one year to 1 January 2023.

In continuity with the Cura Italia Decree, Law Decree no. 23 of 8 April 2020 (**Liquidity Decree**) was issued, a further measure deemed necessary to support Italian entrepreneurship. The Liquidity Decree, in addition to providing an additional guarantee managed by SACE Simest (SACE), a company of the Cassa Depositi e Prestiti group, aims to further strengthen the Guarantee Fund for SMEs by redrawing its rules for accessing, by including also companies with no more than 499 employees and professionals, as well as increasing the guarantee coverage percentages already provided by Article 49 of the Cura Italia Decree (provision that is repealed). In the wake of the latter provision, the Liquidity Decree makes further exceptions to the ordinary rules of the Guarantee Fund for SMEs, which will be applicable until 31 December 2020. The Government is going to extend such measures until 31 December 2021 (the prorogation will be provided by the Law Decree of the end of April 2021).

On 19 May 2020, the Law Decree No. 34 of 19 May 2020 (the so-called "Decreto Rilancio") was published in the Official Journal, introducing urgent measures in the areas of healthcare, work and economic support, as well as social policies, related to the epidemiological emergency caused by COVID-19.

Such decree has been signed in the Law No. 77/2020. It introduced some provisions (valid until 31 December 2020) which are aimed at strengthening SME's capital, thus preventing their insolvency risk. Particular reference is made to two public tools: "Patrimonio PMI" fund, which is aimed at subscribing new bonds issued by SME corporates with €10 million turnover, which have been impacted by COVID-19 a turnover reduction of 33 per cent. in April and May 2020 (two tax credits are granted to other investors <20 per cent. of the investment> in such corporates, and to the corporates above indicated which have suffered losses <50 per cent. of the losses which exceed the 10 per cent. of the Net worth, but in the limit of the 30 per cent. of the capital increase>); and the so-called "Patrimonio rilancio" (Dedicated assets within CDP) which is aimed at subscribing new bonds (mainly convertible bonds) and shares in order to support the real economy.

In August 2020 the Government approved the Law Decree "August" (Law Decree 14 August 2020, No. 104, converted into Law 13 October 2020, No. 126) containing several urgent measures in support of health, work and economy, linked to the COVID-19 emergency. The measures introduced by the Law regard the extension of the moratorium for SME until 31 January 2021 (formerly 30 September 2020) and, for tourist sector, until 31 March 2021. Such prorogation operate automatically, unless expressly waived by the beneficiary company. They also provide technical changes to the possibility (Article 55, Law Decree Cura Italia No. 18/2020) to convert the DTAs into tax credits (application to special regimes, such as consolidated and transparency). The decree above mentioned also widens the scope of the public guarantee, too, extending the FCG guarantee scope to companies which already got a prorogation of the guarantee due to temporary difficulties of the beneficiary and including financial intermediation and holding financial assets activities in the 30k guaranteed loans. It also extends SACE guarantee scope also to companies admitted to

the arrangement procedure with business continuity (or certified plans and restructuring agreements) if their exposures are not classifiable as non-performing exposures (at the date of submission of the application), they don't present amounts in arrears and the lender can reasonably assume the full repayment of the exposure at maturity.

Sustainable Finance Regulation

The banking system needs to be able to collect high quality data on companies' sustainable activities and projects to contribute to the radical transformation towards climate neutrality and sustainability, which are the basis for green finance decision-making and necessary to ensure that the banks shall comply with the regulations on the disclosure of financial and non-financial information.

The EBA Action plan on the implementation of the ESG risks in the prudential framework aims to amend the European legislation not before 2025. In May 2018, the European Commission published a package of legislative measures in order to promote a sustainable finance in line with the objectives of its action plan of March 2018. In such context, the European Commission has started preparatory works in order to amend MiFID II. In such regard, ESMA submitted technical advice on sustainable finance to the European Commission.

The Non-Financial Reporting Directive (Directive (EU) 2014/95 – NFRD), came into effect on 1 January 2017. It requires listed large corporates, banks, and insurance companies with more than 500 employees to publicly report on ESG matters including employment, board diversity, human rights, anti-corruption and bribery. On 20 February 2020, the European Commission launched a public consultation with a view to align the non-financial reporting requirements with the EU legislation in the area of ESG disclosure (e.g. Sustainable Finance Disclosure Regulation (as defined below) and the EU Taxonomy Regulation). On 21 April 2021, the Commission published a proposal for the review of the NFRD. The new Corporate Sustainability Reporting Directive (CSRD) proposes to extend the scope to listed SMEs (excluding listed microundertakings) and to not listed large companies; introduces the requirement to report according to common EU sustainability reporting standards envisaging specific standards for listed SMEs while non-listed SMEs may decide to use those standard on a voluntary basis, and a transition period of three years since the application of the Directive; requires mandatory assurance of the reported information that should be published as part of the company's management report and in machine readable format. On November 2022 the CSRD text has been adopted by both the co-legislators and entered into force on 5 January 2023. On the 31st of July 2023, the European Commission adopted the final Delegated Act (DA) (Annex I including standards and Annex II including glossary) on the European Sustainability Reporting Standards (ESRS) mandated under the CSRD.

On 9 December 2019, Regulation (EU) 2019/2088 on sustainability - related disclosures in the financial services sector (**SFDR** - Sustainable Finance Disclosure Regulation) has been published, which lays down harmonised rules for financial market participants and financial advisers on transparency.

On 25 July 2022, the European Commission published, in the Official Journal of the European Union, the Delegated Regulation 2022/1288, which sets out certain regulatory technical standards supplementing the SFDR. The Delegated Regulation 1288 entered into force on 14 August 2022 and is applicable from 1 January 2023.

In particular, the Delegated Regulation 1288 contains the regulatory technical standards specifying the details of the content, methodologies and presentation of the information in relation to the principle of "do no significant harm", sustainability indicators and adverse sustainability impacts as well as the promotion of the environmental or social characteristics and sustainable investment objectives in pre-contractual documents, on websites and periodic reports. The European Commission in April 2022 has mandated the Joint Committee of the ESAs to review and revise Delegated Regulation 1288. A Final Report on draft Regulatory Technical Standards on the review of PAI and financial product disclosures in the SFDR Delegated Regulation has been published in December 2023 and is currently at the attention of the European Commission.

On 9 March 2020, the European Commission Technical Expert Group on Sustainable Finance (**TEG**) published its final report on the taxonomy, following the public consultation launched after the publication of the June 2019 report. The EU Taxonomy Regulation, which is part of the Action 1 of the Action Plan on financing sustainable growth published on 8 March 2018 by the Commission, aims to establish a unique classification system for the economic activities which can be classified as sustainable. The EU Taxonomy

Regulation was published in the Official Journal of the European Union on 22 June 2020 and entered into force on 12 July 2020. So far five delegated acts under the EU Taxonomy Regulation have been adopted by the European Commission: a first delegated act on technical screening criteria on climate change mitigation and adaptation objectives has been adopted in April 2021; a second delegated act, supplementing Article 8 of the EU Taxonomy Regulation, on taxonomy-related disclosures has been adopted in July 2021 (specifying the content, methodology and presentation of information to be disclosed by financial and non-financial undertakings concerning the proportion of environmentally sustainable economic activities in their business, investments or lending activities); a third delegated act, complementary to the first, including technical screening criteria on nuclear and gas energy activities has been adopted in February 2022; a fourth delegated act establishing the technical screening criteria on the four environmental objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control and protection and restoration of biodiversity and ecosystems); a fifth delegated act amending the first delegated act on climate change mitigation and adaptation.

Together with EU Taxonomy final report, TEG has released a guide for how to use the EU's Green Bond Standard (**EU GBS**). The document incorporates several updates related to the political agreement on Taxonomy reached in December 2019 by the Commission, Council and European Parliament, and the Green Deal launched by the Commission. The EU GBS regulation is included in Commission's initiatives set out in Action 2 of the Action Plan, which envisages to create standards and labels for green financial products. In July 2021, the European Commission adopted a legislative proposal for EU GBS, which has been adopted by co-legislators and published in the EU Official Journal, was approved by the European Parliament on 5 October 2023 and by the Council on 23 October 2023. Finally, on 30 November 2023, the regulation on the “European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds” was published in the Official Journal and will enter into force on the 20 December 2023; the regulation will be applicable from 21 December 2024.

On 12 March 2020, CONSOB has drawn attention to the current investor protection safeguards applicable to intermediaries that provide investment services, when they address clients with an offer characterized as sustainable.

On 8 April 2020, European Commission launched a public consultation to collect opinions in relation to the Commissions renewed strategy on sustainable finance, until now based on the Action Plan on financing sustainable growth published on 8 March 2018. On 6 July the European Commission adopted its long awaited Renewed Sustainable Finance Strategy, entitled "Strategy for financing the transition to a sustainable economy" (attached). The renewed Strategy aims to integrate the objectives of the European Green Deal into the financial system and outlines four main areas where further action is needed: i) financing the path to sustainability; ii) inclusiveness; iii) resilience and contribution of the financial sector; and iv) global cooperation.

On 20 January 2021, the European Commission opened a targeted consultation on the establishment of a European single access point (**ESAP**) for financial and non-financial information publicly disclosed by companies. The establishment of ESAP is the first point of the new action plan on the Capital Markets Union 2020 aiming to create a register of ESG data at EU level to provide easily accessible, comparable and machine readable information through standardization of formats to remove the difficulties encountered by the various stakeholders in accessing, comparing and using companies' financial and sustainability related information. The consultation closed on 12 March 2021. On 27 November 2023, the Council of the European Union adopted the final texts of the ESAP legislative package. The final texts are expected to be published in the Official Journal of the European Union by the end of 2023 or at the beginning of January 2024.

On 21 April 2021, the European Commission published a package of measures on Sustainable Finance, which included proposals for inclusion of ESG into the existing MiFID II. The financial advisors are required to gather information about ESG preferences of clients and take them into consideration when providing advice or propose financial products. Additionally, the financial institutions are requested to integrate sustainability factors, risks and preferences into organizational and operational processes. The delegated acts, namely Commission Delegated Regulation (EU) 2021/1253 and Commission Delegated Regulation 2021/1269, were published in the Official Journal of the European Union on 2 August 2021 and applied from 22 November 2022.

OVERVIEW OF THE FINANCIAL INFORMATION OF THE INTESA SANPAOLO GROUP

Audited Consolidated Annual Financial Statements

The annual financial information below as at and for the years ended 31 December 2022 and 31 December 2021 has been derived respectively from the audited consolidated annual financial statements of the Intesa Sanpaolo Group as at and for the year ended 31 December 2022 (the "**2022 Audited Financial Statements)** and from the consolidated annual financial statements of the Intesa Sanpaolo Group as at and for the year ended 31 December 2021 presented for comparison in 2022.

Half-Yearly Financial Statements

The half-yearly financial information below as at and for the six months ended on 30 June 2023 and for the six months ended on 30 June 2022 has been derived respectively from the unaudited condensed consolidated half-yearly financial statements of the Intesa Sanpaolo Group as at and for the six months ended on 30 June 2023 (the "**2023 Half-Yearly Unaudited Financial Statements**") and from the unaudited condensed consolidated half-yearly financial statements of the Intesa Sanpaolo Group as at and for the six months ended on 30 June 2022 presented for comparison in 2023.

Incorporation by Reference

Both the audited consolidated annual financial statements as at and for the years ended 31 December 2022 and 31 December 2021, and the unaudited consolidated half-yearly financial statements referred to above are incorporated by reference in this Base Prospectus (see "*Information Incorporated by Reference*"). The financial information set out below forms only part of, should be read in conjunction with and is qualified in its entirety by reference to the above-mentioned audited consolidated annual and unaudited consolidated half-yearly financial statements, together with the accompanying notes and auditors' reports.

Accounting Principles

The audited consolidated annual and unaudited consolidated half-yearly financial statements referred to above have been prepared in accordance with the accounting principles issued by the International Accounting Standards Board and the relative interpretations of the International Financial Reporting Interpretations Committee, otherwise known as International Accounting Standards and International Financial Reporting Standards (IAS/IFRS), as adopted by the European Union under Regulation (EC) 1606/2002. In particular, the half-yearly condensed consolidated financial statements referred to above have been prepared in compliance with the IAS/IFRS issued by the International Accounting Standards Board (IASB) and the relative interpretations of the International Financial Reporting Interpretations Committee (IFRIC) endorsed by the European Commission, as provided for by EU Regulation 1606 of 19 July 2002 and in force as at 30 June 2023.

In particular, the 2023 Half-Yearly Unaudited Financial Statements are prepared in accordance with IAS 34 requirements, which regulate interim financial reporting.

For the purpose of preparing the Half-yearly condensed consolidated financial statements as at 30 June 2023, in addition to the accounting standards specified with regard to the insurance assets and liabilities, the accounting standards adopted with regard to the classification, recognition, measurement and derecognition of the financial assets and liabilities in the balance sheet, and the recognition methods for revenues and costs, were updated compared to those adopted for the Intesa Sanpaolo Group 2022 Annual Report, to implement the entry into force of IFRS 17 and IFRS 9 for the insurance companies of the Intesa Sanpaolo Group. For all other aspects of the accounting standards adopted by the Intesa Sanpaolo Group that were not modified, refer to that illustrated in the 2022 Financial Statements.

In addition, the indications provided by the authorities and the IASB, together with the application decisions made by Intesa Sanpaolo, as described in the chapter "The first half of 2023", should be consulted on the impact for the ISP Group of the military conflict between Russia and Ukraine, together with the update reported in the Intesa Sanpaolo Group 2023 Interim 3rd Quarter Report.

With regard to the changes in the accounting regulations, considering the significance for the Intesa Sanpaolo Group and, in particular, for the insurance companies, it is primarily noted that IFRS 17 Insurance Contracts, published by the IASB in May 2017 and subject to subsequent amendments, endorsed with Regulation (EU) no. 2036/2021 of 19 November 2021, is applicable from 1 January 2023.

The Interim Statement as at 31 March 2023 were the first financial statements drawn up in application of IFRS 17. At the same time, the Insurance Companies of the Intesa Sanpaolo Group also applied for the first time IFRS 9 Financial Instruments, the application of which was deferred by virtue of the application of the deferral approach[27].

For further details on the first adoption of the new principle IFRS 17 and IFRS 9 for Group's insurance companies, including a complete illustration of the provisions of these standards, the Group's choices and the related impacts, please refer to the specific section "*Transition to IFRS 17 Insurance Contracts and IFRS 9 Financial Instruments by the Group's insurance companies*" " included in the Half-Yearly Report as at 30 June 2023.

A summary of the endorsing Regulations in force since 2021 is provided below (for more details please refer to *"Notes to the consolidated financial statements – Part A – Accounting policies"* of the 2021 Annual Report and the 2022 Annual Report and to *"Accounting Policies – General preparation principles"* of the Half-Yearly Report as at 30 June 2023).

Regulation endorsements in force since 1st January 2021:

- **Regulation 25/2021** of 13 January 2021 endorsing "Interest Rate Benchmark Reform – Phase 2, Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16" published by the IASB on 27 August 2020 regarding phase two of the IASB's interest rate reform project. This relates to the developments concerning the revision or replacement of certain interest rate benchmarks used to set interest rates in various jurisdictions, such as LIBOR, based on the indications from the G20 and the Financial Stability Board. No impacts on the Intesa Sanpaolo Group are foreseen for the modifications with the characteristics envisaged by the standard, in line with the objective of the amendments introduced by the IASB aimed at preventing distortions in the financial statements as a result of the reform.

- **Regulation 2097/2020** of 15 December 2020**,** endorsing the extension of the temporary exemption from applying IFRS 9 (amendments to IFRS 4 Insurance Contracts) published by the IASB on 25 June 2020. In view of the IASB's decision to postpone the date of first-time adoption of IFRS 17 until 1 January 2023 – also made on 25 June 2020 – the authorisation to postpone the application of IFRS 9 (the "Deferral Approach") was also extended until 1 January 2023 in order to remedy the temporary accounting consequences of the mismatch between the date of entry into force of IFRS 9 - Financial Instruments and that of the future IFRS 17 - Insurance Contracts.

- **Regulation 1421/2021** of 30 August 2021 on "Covid-19-related rent concessions after 30 June 2021", transposing the amendments published by the IASB on 31 March 2021. In response to the requests received from interested parties and the continuation of the COVID-19 pandemic, the IASB extended the application of the practical expedient – originally applied to concessions due by June 2021 - to cover concessions for rental payments originally due by 30 June 2022. The Intesa Sanpaolo Group has chosen not to apply this practical expedient, accordingly, these additional amendments are not relevant to the Group.

Regulation endorsement in force since 1st January 2022:

- **Regulation (EU) no. 1080/2021** of 28 June 2021, which implements several narrow-scope amendments, published by the IASB on 14 May 2020, to the international accounting standards IAS 16 Property, Plant and Equipment, IAS 37 Provisions, Contingent Liabilities and Contingent Assets and IFRS 3 Business Combinations. None of the amendments is particularly significant for the Intesa Sanpaolo Group.
  The Regulation in question also endorses the Annual Improvements to IFRS Standards 2018-2020 Cycle. The Regulation introduces several changes and clarifications of little significance which, therefore, do not have significant impacts on the Group.

[27]Note that, by virtue of the application of the Deferral Approach, the financial assets and liabilities of the subsidiary insurance companies continued to be recognised in accordance with the provisions of IAS 39, while awaiting the entry into force of the new international financial reporting standard on insurance contracts (IFRS 17).

Regulation endorsement in force since 1st January 2023:

- **Regulation 357/2022** of 2 March 2022: this Regulation adopts several narrow-scope amendments and clarifications to support entities in applying materiality judgements in illustrating accounting policies (amendments to IAS 1) and distinguishing between accounting policies and estimates (amendments to IAS 8). Therefore, it doesn't have significant impacts on the Group, even though it could be a useful reference for analyses and for improving financial statement disclosure.

- **Regulation no. 1392/2022** of 11 August 2022: the European Commission adopted the amendment to IAS 12 Income Taxes "Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction", published by the IASB on 7 May 2021. The amendments clarify how companies have to account for deferred taxes on transactions such as leases and decommissioning obligations and aim to reduce diversity in the reporting of deferred tax assets and liabilities on those transactions. These amendments don't have significant impacts on the Group.

The 2023 Half-Yearly Unaudited Financial Statements, drawn up in euro as the functional currency, are prepared in condensed form as permitted by IAS 34, and contain the consolidated Balance sheet as at 30 June 2023, the consolidated Income statement, the Statement of consolidated comprehensive income, the Changes in consolidated shareholders' equity, the consolidated Statement of cash flows for the six month period then ended and the explanatory notes. They are also complemented by information on significant events which occurred in the period, on the main risks and uncertainties to be faced in the remaining months of the year, as well as information on significant related party transactions. The amounts indicated in the financial statements and explanatory notes are expressed in millions of euro, unless otherwise specified. In addition to the amounts for the reporting period, the financial statements also indicate the corresponding comparison figures for the period ended 30 June 2022 for the Income statement and as at 31 December 2022 for the Balance sheet, amended, as indicated, with regard to the application of IFRS 17 and IFRS 9 by the Group's insurance companies. The Explanatory notes contain specific dedicated chapters that set out several detailed tables of the Income Statement and the Balance Sheet in the format established by Bank of Italy Circular 262 on Notes to Annual Financial Statements, regarding the composition of the main financial statement captions concerning banking operations.

As reported in the "**2023 Half-Yearly Unaudited Financial Statements**" and taking into account the updated information published in the "Interim Statement at 30 September 2023, since the conditions pursuant to IFRS 5 have been met, the assets held for sale as at 30 September 2023 mainly include portfolios of non-performing loans and performing exposures classified as Stage 2 subject to de-risking initiatives launched during the second quarter, which are expected to be completed in the final months of the year. They also include the 100% equity investment in Intesa Sanpaolo Casa, which was transferred by Intesa Sanpaolo on 23 October 2023 to Homepal a Better Place – a next-generation online real estate agency – as part of the strategic partnership announced in September together with BPER Banca. With regard to the assets classified as held for sale as at 31 December 2022, as already stated in the Half-yearly report as at 30 June 2023, the non-performing loans included in the 2021-2022 de-risking plans were sold in March, while the assets and liabilities pertaining to the PBZ Card business line dedicated to merchant acquiring and the investment in Zhong Ou Asset Management Co. Ltd were disposed of on 28 February and 16 May 2023, respectively.

The 2023 Half-Yearly Unaudited Financial Statements are complemented by certification of the Managing Director – CEO and the Manager responsible for preparing the Intesa Sanpaolo Group's financial reports pursuant to Article 154-bis of Legislative Decree 58/1998 (Consolidated Law on Finance) and have been reviewed by the Independent Auditors EY S.p.A.

INTESA SANPAOLO
CONSOLIDATED ANNUAL BALANCE SHEET
AS AT 31 DECEMBER 2022

The annual financial information below includes comparative figures as at 31 December 2021.

Assets	**31.12.2022** **Audited**	**31.12.2021** **Audited**
	(in millions of €)	
Cash and cash equivalents	112,924	14,756
Financial assets measured at fair value through profit or loss	47,577	52,731
a) financial assets held for trading	*42,522*	*47,181*
b) financial assets designated at fair value	*1*	*4*
c) other financial assets mandatorily measured at fair value	*5,054*	*5,546*
Financial assets measured at fair value through other comprehensive income	49,716	67,580
Financial assets pertaining to insurance companies, measured at fair value pursuant to IAS 39	172,725	206,800
Financial assets measured at amortised cost	528,078	668,866
a) due from banks	*32,884*	*163,937*
b) loans to customers	*495,194*	*504,929*
Financial assets pertaining to insurance companies measured at amortised cost pursuant to IAS 39	80	85
Hedging derivatives	10,062	1,732
Fair value change of financial assets in hedged portfolios (+/-)	-9,752	392
Investments in associates and companies subject to joint control	2,013	1,652
Technical insurance reserves reassured with third parties	163	208
Property and equipment	10,505	10,792
Intangible assets	9,830	9,342
of which:		
- goodwill	*3,626*	*3,574*
Tax assets	18,273	18,808
a) current	*3,520*	*3,555*
b) deferred	*14,753*	*15,253*
Non-current assets held for sale and discontinued operations	638	1,422
Other assets	22,851	13,837
Total Assets	**975,683**	**1,069,003**

INTESA SANPAOLO
CONSOLIDATED ANNUAL BALANCE SHEET
AS AT 31 DECEMBER 2022

The annual financial information below includes comparative figures as at 31 December 2021.

Liabilities and Shareholders' Equity	**31.12.2022** **Audited**	**31.12.2021** **Audited**
	(in millions of €)	
Financial liabilities measured at amortised cost	667,586	710,055
a) due to banks	*137,482*	*165,258*
b) due to customers	*454,025*	*458,239*
c) securities issued	*76,079*	*86,558*
Financial liabilities pertaining to insurance companies measured at amortised cost pursuant to IAS 39	2,550	2,146
Financial liabilities held for trading	46,512	56,306
Financial liabilities designated at fair value	8,795	3,674
Financial liabilities pertaining to insurance companies measured at fair value pursuant to IAS 39	71,744	84,770
Hedging derivatives	5,346	4,868
Fair value change of financial liabilities in hedged portfolios (+/-)	-8,031	53
Tax liabilities	2,306	2,285
a) current	*297*	*363*
b) deferred	*2,009*	*1,922*
Liabilities associated with non-current assets held for sale and discontinued operations	15	30
Other liabilities	11,060	15,639
Employee termination indemnities	852	1,099
Allowances for risks and charges	5,010	5,716
a) commitments and guarantees given	*711*	*508*
b) post-employment benefits	*139*	*290*
c) other allowances for risks and charges	*4,160*	*4,918*
Technical reserves	100,117	118,296
Valuation reserves	-1,939	-709
Valuation reserves pertaining to insurance companies	-696	476
Redeemable shares	-	-
Equity instruments	7,211	6,282
Reserves	15,827	17,706
Interim dividend (-)	-1,400	-1,399
Share premium reserve	28,053	27,286
Share capital	10,369	10,084
Treasury shares (-)	-124	-136
Minority interests (+/-)	166	291
Net income (loss) (+/-)	4,354	4,185
Total Liabilities and Shareholders' Equity	**975,683**	**1,069,003**

INTESA SANPAOLO
CONSOLIDATED ANNUAL STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

The annual financial information below includes comparative figures for the year ended 31 December 2021.

	31.12.2022	31.12.2021
	Audited	**Audited**
	(in millions of €)	
Interest and similar income	13,232	10,473
of which: interest income calculated using the effective interest rate method	*12,708*	*10,039*
Interest and similar expense	-3,547	-2,480
Interest margin	**9,685**	**7,993**
Fee and commission income	11,285	12,087
Fee and commission expense	-2,708	-2,723
Net fee and commission income	**8,577**	**9,364**
Dividend and similar income	225	161
Profits (Losses) on trading	-149	503
Fair value adjustments in hedge accounting	33	36
Profits (Losses) on disposal or repurchase of:	-48	758
a) financial assets measured at amortised cost	*167*	*201*
b) financial assets measured at fair value through other comprehensive income	*-243*	*611*
c) financial liabilities	*28*	*-54*
Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss	755	71
a) financial assets and liabilities designated at fair value	*957*	*-42*
b) other financial assets mandatorily measured at fair value	*-202*	*113*
Profits (Losses) on financial assets and liabilities pertaining to insurance companies pursuant to IAS 39	1,234	4,754
Net interest and other banking income	**20,312**	**23,640**
Net losses/recoveries for credit risks associated with:	-2,624	-2,843
a) financial assets measured at amortised cost	*-2,579*	*-2,813*
b) financial assets measured at fair value through other comprehensive income	*-45*	*-30*
Net losses/recoveries pertaining to insurance companies pursuant to IAS39	-160	-26
Profits (Losses) on changes in contracts without derecognition	-5	-29
Net income from banking activities	**17,523**	**20,742**
Net insurance premiums	10,358	10,557
Other net insurance income (expense)	-9,398	-13,525
Net income from banking and insurance activities	**18,483**	**17,774**
Administrative expenses:	-11,579	-12,012
a) personnel expenses	*-6,793*	*-7,187*
b) other administrative expenses	*-4,786*	*-4,825*
Net provisions for risks and charges	-349	-374
a) commitments and guarantees given	*-209*	*97*
b) other net provisions	*-140*	*-471*
Net adjustments to / recoveries on property and equipment	-700	-659
Net adjustments to / recoveries on intangible assets	-984	-934
Other operating expenses (income)	934	980
Operating expenses	**-12,678**	**-12,999**
Profits (Losses) on investments in associates and companies subject to joint control	232	138
Valuation differences on property, equipment and intangible assets measured at fair value	-46	-21
Goodwill impairment	-	-
Profits (Losses) on disposal of investments	16	289
Income (Loss) before tax from continuing operations	**6,007**	**5,181**
Taxes on income from continuing operations	-1,630	-1,138
Income (Loss) after tax from continuing operations	**4,377**	**4,043**
Income (Loss) after tax from discontinued operations	-	-
Net income (loss)	**4,377**	**4,043**
Minority interests	-23	142
Parent Company's net income (loss)	**4,354**	**4,185**
Basic EPS – Euro	**0.23**	**0.22**
Diluted EPS – Euro	**0.23**	**0.22**

INTESA SANPAOLO
CONSOLIDATED HALF-YEARLY BALANCE SHEET
AS AT 30 JUNE 2023

The half-yearly financial information below includes comparative figures as at 31 December 2022.

	30.06.2023	31.12.2022
	Unaudited	**Unaudited**
	(in millions of €)	
Assets		
Cash and cash equivalents	79,875	112,924
Financial assets measured at fair value through profit or loss	151,753	150,616
a) financial assets held for trading	*44,053*	*42,607*
b) financial assets designated at fair value	*1*	*1*
c) other financial assets mandatorily measured at fair value	*107,699*	*108,008*
Financial assets measured at fair value through other comprehensive income	132,166	119,508
Financial assets measured at amortised cost	525,732	528,081
a) due from banks	31,704	32,884
b) loans to customers	*494,028*	*495,197*
Hedging derivatives	8,986	10,075
Fair value change of financial assets in hedged portfolios (+/-)	-8,996	-9,752
Investments in associates and companies subject to joint control	2,599	2,013
Insurance assets	843	151
a) insurance contracts issued that are assets	530	18
b) reinsurance contracts held that are assets	313	133
Property and equipment	9,700	10,505
Intangible assets	9,192	9,237
of which		
- goodwill	*3,668*	*3,626*
Tax assets	16,080	18,130
a) current	*2,666*	*3,520*
b) deferred	*13,414*	*14,610*
Non-current assets held for sale and discontinued operations	614	638
Other assets	26,661	22,461
Total Assets	**955,205**	**974,587**

INTESA SANPAOLO
CONSOLIDATED HALF-YEARLY BALANCE SHEET
AS AT 30 JUNE 2023

The half-yearly financial information below includes comparative figures as at 31 December 2022.

	30.06.2023 Unaudited	31.12.2022 Unaudited
	(in millions of €)	
Liabilities and Shareholders' Equity		
Financial liabilities measured at amortised cost	630,131	670,127
a) due to banks	*94,827*	*138,132*
b) due to customers	*438,677*	*454,595*
c) securities issued	*96,627*	*77,400*
Financial liabilities held for trading	47,648	46,512
Financial liabilities designated at fair value	66,768	63,007
Hedging derivatives	5,177	5,517
Fair value change of financial liabilities in hedged portfolios (+/-)	-7,414	-8,031
Tax liabilities	2,938	2,021
a) current	*500*	*303*
b) deferred	*2,438*	*1,718*
Liabilities associated with non-current assets held for sale and discontinued operations	-	15
Other liabilities	23,171	10,763
Employee termination indemnities	775	852
Allowances for risks and charges	4,169	4,960
a) commitments and guarantees given	*539*	*711*
b) post employment benefits	*81*	*139*
c) other allowances for risks and charges	*3,549*	*4,110*
Insurance liabilities	119,381	117,575
a) insurance contracts issued that are liabilities	*119,311*	*117,561*
b) reinsurance contracts held that are liabilities	*70*	*14*
Valuation reserves	-2,084	-2,458
Redeemable shares	-	-
Equity instruments	7,217	7,211
Reserves	14,654	15,073
Interim dividend (-)	-	-1,400
Share premium reserve	28,001	28,053
Share capital	10,369	10,369
Treasury shares (-)	-70	-124
Minority interests (+/-)	152	166
Net income (loss) (+/-)	4,222	4,379
Total Liabilities and Shareholders' Equity	**955,205**	**974,587**

INTESA SANPAOLO
CONSOLIDATED HALF-YEARLY STATEMENT OF INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2023

The half-yearly financial information below includes comparative figures for the six months ended 30 June 2022.

	First six months of 2023	First six months of 2022
	Unaudited	Unaudited
	(in millions of €)	
Interest and similar income	14,562	6,588
of which: interest income calculated using the effective interest rate method	*13,031*	*6,254*
Interest and similar expense	-6,630	-1,428
Interest margin	**7,932**	**5,160**
Fee and commission income	5,306	5,759
Fee and commission expense	-1,366	-1,354
Net fee and commission income	**3,940**	**4,405**
Dividend and similar income	359	356
Profits (Losses) on trading	69	179
Fair value adjustments in hedge accounting	-57	46
Profits (Losses) on disposal or repurchase of	-97	-50
a) financial assets measured at amortised cost	*72*	*210*
b) financial assets measured at fair value through other comprehensive income	*-187*	*-252*
c) financial liabilities	*18*	*-8*
Profits (Losses) on other financial assets and liabilities measured at fair value through profit or loss	1,630	-2,371
a) financial assets and liabilities designated at fair value	*-2,281*	*7,653*
b) other financial assets mandatorily measured at fair value	*3,911*	*-10,024*
Net interest and other banking income	**13,776**	**7,725**
Net losses / recoveries for credit risks associated with:	-725	-1,319
a) financial assets measured at amortised cost	*-669*	*-1,217*
b) financial assets measured at fair value through other comprehensive income	*-56*	*-102*
Profits (Losses) on changes in contracts without derecognition	3	-1
Net income from banking activities	**13,054**	**6,405**
Insurance service result	1,064	836
a) insurance revenue arising from insurance contracts issued	1,518	1,771
b) insurance service expenses arising from insurance contracts issued	-458	-871
c) insurance revenue arising from reinsurance contracts held	73	69
d) insurance service expenses arising from reinsurance contracts held	-69	-133
Balance of financial income and expenses related to insurance operations	-2,648	1,787
a) net financial expenses/revenue related to insurance contracts issued	-2,652	1,787
b) net financial expenses/revenue related to reinsurance contracts held	4	-
Net income from banking and insurance activities	**11,470**	**9,028**
Administrative expenses	-5,256	-5,256
a) personnel expenses	*-3,067*	*-3,059*
b) other administrative expenses	*-2,189*	*-2,197*
Net provisions for risks and charges	-130	-125
a) commitments and guarantees given	*32*	*-74*
b) other net provisions	*-162*	*-51*
Net adjustments to / recoveries on property and equipment	-336	-326
Net adjustments to / recoveries on intangible assets	-451	-389
Other operating expenses (income)	462	486
Operating expenses	**-5,711**	**-5,610**
Profits (Losses) on investments in associates and companies subject to joint control	194	204
Valuation differences on property, equipment and intangible assets measured at fair value	-22	-3
Goodwill impairment	-	-
Profits (Losses) on disposal of investments	160	14
Income (Loss) before tax from continuing operations	**6,091**	**3,633**
Taxes on income from continuing operations	-1,846	-1,282
Income (Loss) after tax from continuing operations	**4,245**	**2,351**
Income (Loss) after tax from discontinued operations	-	-
Net income (loss)	**4,245**	**2,351**
Minority interests	-23	-5
Parent Company's net income (loss)	**4,222**	**2,346**
Basic EPS – Euro	**0.23**	**0.12**
Diluted EPS – Euro	**0.23**	**0.12**

DESCRIPTION OF INTESA SANPAOLO BANK IRELAND P.L.C.

History and Legal Status

Intesa Sanpaolo Bank Ireland p.l.c. ("**INSPIRE**") is a public limited company and a wholly-owned subsidiary of Intesa Sanpaolo S.p.A. INSPIRE was incorporated in Ireland on 22 September 1987 under the Irish Companies Acts, 1963 to 1986 (now the Irish Companies Act 2014, as amended) under company registration number 125216. On 2 October 1998, INSPIRE was granted a banking licence by the Central Bank of Ireland under section 9 of the Irish Central Bank Act 1971 which, in accordance with the SSM is, with effect from 4 November 2014, deemed to be an authorisation granted by the ECB under the SSM Regulation.

Given the classification of the Intesa Sanpaolo Group as a significant supervised group within the meaning of the SSM Framework Regulation (see *Risk Factors – ECB Single Supervisory Mechanism*), INSPIRE has been classified as a significant supervised entity within the meaning of the SSM Framework Regulation and, as such, is subject to direct prudential supervision by the ECB in respect of the functions conferred on the ECB by the SSM Regulation and the SSM Framework Regulation. The Central Bank of Ireland, as Ireland's national competent authority for the purposes of the SSM Regulation and the SSM Framework Regulation, continues to be responsible, in respect of INSPIRE, for supervisory functions not conferred on the ECB. See also *Risk Factors - ECB Single Supervisory Mechanism*.

INSPIRE is a subsidiary of Intesa Sanpaolo and is therefore part of the Intesa Sanpaolo Group.

INSPIRE's registered office is located at 2nd Floor, International House, 3 Harbourmaster Place, IFSC, Dublin 1, D01 K8F1, Ireland (tel: +353 1 672 6720).

INSPIRE's website is http://www.intesasanpaolobankireland.ie/. The information on the website does not form part of this Base Prospectus unless information contained therein is incorporated by reference into this Base Prospectus.

Activities

As a licensed bank, the principal areas of business of INSPIRE include:

- International lending to corporate and credit institutions on a bilateral or syndicated basis;
- Management of a portfolio of securities held for liquidity purposes;
- Treasury activities;
- Intra-group lending; and
- Issuance of guarantees and transaction services.

Board of Directors

The current composition of the Board of Directors of INSPIRE is as follows:

Name	Principal Activities outside INSPIRE
Roberto Paolelli **Managing Director and CEO of Intesa Sanpaolo Bank Ireland plc**	None
Maria Cristina Lege	Head of Money Market and Settlement in Intesa Sanpaolo – Senior Director, Group Finance and Treasury Department
Renato Carducci	None
Michael Bermingham	Director of Helium Arts

Name	Principal Activities outside INSPIRE
Daniela Orlando	Member of Exelia Srl board
John Bowden	Non-Executive Director of Drive Investment Funds PLC
Francesco Introzzi	Director of Lux Gest Asset Management S.A
	Deputy Chair of Intesa San Paolo Brasil Brazil S.A. - Banco Multiplo
	Director of EXETRA SpA
	Deputy Chair of Intesa Sanpaolo Bank Luxembourg S.A.
James Kelly	Director of Barclaycard International Payments Limited
	Director Barclays Finance Ireland Limited

The business address of each of the members of the Board of Directors listed above is 2nd Floor, International House, 3 Harbourmaster Place, IFSC, Dublin 1, D01 K8F1, Ireland.

Conflicts of Interest

INSPIRE is not aware of any potential conflicts of interest between the duties to Intesa Sanpaolo Bank Ireland p.l.c. of each of the members of the Board of Directors listed above and their respective private interests or other duties.

Control

INSPIRE is a wholly-owned subsidiary of Intesa Sanpaolo. As such, INSPIRE is under the control of Intesa Sanpaolo. At the date of this Base Prospectus, other than as set out above in this paragraph, INSPIRE is not aware of any arrangement the operation of which may at a date subsequent to the date of this Base Prospectus result in a change in control of INSPIRE.

No specific measures have been put in place by INSPIRE to ensure that Intesa Sanpaolo's control of INSPIRE is not abused. However, INSPIRE is regulated and supervised by the Joint Supervisory Team (JST) under the single supervisory mechanism and three of INSPIRE's directors, James Kelly, Michael Bermingham and John Bowden, are not at the date of this Base Prospectus employees of any member of the Intesa Sanpaolo Group and meet the criteria for independence set out under the Corporate Governance Code (see "Board of Directors" above).

OVERVIEW OF THE FINANCIAL INFORMATION RELATING TO INTESA SANPAOLO BANK IRELAND P.L.C.

The following tables show the statement of financial position and income statement information of INSPIRE as at and for the years ended 31 December 2022 and 2021. Such financial information is derived from, should be read in conjunction with and is qualified entirely by reference to the full audited annual financial statements of INSPIRE as at and for the years ended 31 December 2022 and 2021, together with the accompanying notes and auditors' report, all of which are incorporated by reference in this Base Prospectus.

The half-yearly financial information of INSPIRE as at and for the six months ended 30 June 2023 and 30 June 2022 is not audited. Such financial information is derived from, should be read in conjunction with and is qualified entirely by reference to the full unaudited half-yearly financial information as at and for the six months ended 30 June 2023 which include comparative balance sheet and income statement figures as at 30 June 2022, and are incorporated by reference in this Base Prospectus. The half-yearly financial information of INSPIRE for the six months ended 30 June 2023 has been prepared in accordance with Intesa Sanpaolo Group's Accounting Instructions and Policy. However, please note that Intesa Sanpaolo Group's Accounting Instructions and Policy may deviate from IFRS. Specifically, in relation to the non-inclusion of intra-group guarantees in the ECL provision in accordance with the requirements of paragraph B5.5.55 of IFRS 9 – Financial Instruments.

Section 340 ("Section 340") of the Companies Act 2014 (as amended, the "2014 Act") and regulation 3(1) ("Regulation 3(1)") of the European Union (Credit Institutions: Financial Statements) Regulations 2015 (the "2015 Regulations")

This statement is included for the purpose of compliance with Section 340, as applied to INSPIRE by Regulation 3(1). The financial information in relation to any financial year, or half-year, of INSPIRE contained in this Base Prospectus does not constitute statutory financial statements of INSPIRE. Statutory financial statements of INSPIRE have been prepared for the financial years ended 31 December 2021 and 31 December 2022 and the statutory auditors to INSPIRE have given unqualified reports under, and in the form required by, applicable Irish law on such statutory financial statements which have been annexed to the relevant annual returns delivered to the Irish Registrar of Companies. Statutory financial statements of INSPIRE are not prepared for the financial half-years ended 30 June 2022 and 30 June 2023, the statutory auditors to INSPIRE have not reported on the financial information relating to those financial half-years and such financial information has not, and will not, be delivered to the Irish Registrar of Companies. The reason for preparing the financial information in the abbreviated form contained in this Base Prospectus is to provide to investors an immediate source of this limited financial information, and to enable a comparison to be drawn between that information as prepared for the different periods in respect of which it is set out. Terms used in this section and not defined herein have the meanings given to them in the 2014 Act, subject to the 2015 Regulations.

INTESA SANPAOLO BANK IRELAND P.L.C.
ANNUAL STATEMENTS OF FINANCIAL POSITION

	31.12.2022 Audited	31.12.2021 Audited
	In Thousands of Euro	*In Thousands of Euro*
ASSETS		
Cash and balance with central banks	47,721	276,826
Financial assets at fair value through other comprehensive income	1,969,563	2,089,511
Financial assets at fair value through profit or loss	36	-
Loans and advances to banks	5,132,677	4,089,845
Loans and advances to customers	1,159,145	1,599,979
Derivative financial instruments	443,796	507,966
Prepayments and accrued income	190	363
Current Tax	3,125	-
Deferred tax assets	6,163	256
Other assets	13,809	2,503
Property, plant and equipment	2,845	199
Total assets	**8,779,070**	**8,567,448**
LIABILITIES		
Deposits from banks	1,894,490	939,740
Debt securities in issue	4,588,040	4,854,001
Repurchase agreements	-	53,557
Due to customers	954,803	961,838
Derivative financial instruments	320,556	554,125
Current tax	-	609
Deferred tax liability	343	1,270
Accruals and deferred income	295	501
Other liabilities	5,449	2,626
Provisions for liabilities and commitments	49	103
Total liabilities	**7,764,025**	**7,368,370**
EQUITY attributable to the equity holders of the company		
Share capital	400,500	400,500
Share premium	1,025	1,025
Fair value through other comprehensive income reserve	(7,772)	8,144
Capital contribution reserves	506,764	506,764
Retained earnings	114,528	282,645
Total equity	**1,015,045**	**1,199,078**
Total liabilities and shareholders' funds	**8,779,070**	**8,567,448**

INTESA SANPAOLO BANK IRELAND P.L.C.
ANNUAL INCOME STATEMENTS

	31.12.2022 Audited	31.12.2021 Audited
	In thousands of Euro	*In thousands of Euro*
Interest and similar income	150,533	121,529
(Interest expense and similar charges)	(127,746)	(101,406)
Net interest income	**22,787**	**20,123**
Fees and commissions income	1,551	6,602
(Fees and commissions expense)	(3,113)	(3,606)
Net trading income	5,107	7,554
Foreign exchange loss	(6,209)	(285)
Net impairment (losses) gains on financial instruments	(175,323)	6,862
Net operating (loss) / income	**(155,196)**	**37,250**
(Administrative expenses and depreciation)	(11,626)	(11,145)
(Loss) / Profit before tax	**(166,822)**	**26,105**
Income Tax benefit / (expense)	20,705	(3,266)
(Loss) / Profit for the financial year	**(146,117)**	**22,839**

INTESA SANPAOLO BANK IRELAND P.L.C.
HALF-YEARLY STATEMENTS OF FINANCIAL POSITION

	30.06.2023 Unaudited	30.06.2022 Unaudited
	(in thousands of Euro)	*(in thousands of Euro)*
ASSETS		
Securities - fair value through other comprehensive income	2,602,351	2,343,666
Securities at amortised cost	45,069	89,628
Bank deposits	191,784	402,942
Loans advanced	5,879,627	4,932,785
Fixed assets	2,737	46
Corporation tax receivable and deferred tax	929	22,077
Accrued interest receivable	199	177
Sundry debtors and deferred expenses	14,131	488
Derivative financial instruments	460,458	406,637
Total assets	**9,197,326**	**8,198,446**
LIABILITIES		
Funds received	1,545,005	2,672,470
Debt securities in issue	6,206,055	4,149,636
Corporation tax payable and deferred tax	3,995	1,223
Accruals & deferred income	5,182	11,108
Derivative financial instruments	337,667	339,993
Provisions for liabilities and commitments	322	209
Total liabilities	**8,098,226**	**7,174,639**
EQUITY		
Share capital	400,500	400,500
Share premium	1,025	1,025
Fair value through other comprehensive income reserve and other reserves	(6,835)	(4,222)
Capital contribution reserves	506,764	506,764
Retained earnings	197,646	119,740
Total equity	**1,099,100**	**1,023,807**
Total liabilities and shareholders' funds	**9,197,326**	**8,198,446**

INTESA SANPAOLO BANK IRELAND P.L.C.
HALF YEARLY INCOME STATEMENTS

	30.06.2023 Unaudited	**30.06.2022 Unaudited**
	(in thousands of Euro)	*(in thousands of Euro)*
Interest and similar income	140,542	65,592
(Interest expense and similar charges)	(119,776)	(53,390)
Net interest income	**20,766**	**12,202**
Net fees	(1,156)	(467)
Other profit	1524	609
Exchange gain	494	19
Net operating income	**21,627**	**12,363**
(Administrative expenses)	(4,047)	(4,164)
(Single Resolution Fund Levy)	(2,680)	(3,770)
Net impairment gains / (losses) on financial instruments	73,609	(171,940)
Net profit / (Loss) before tax	**88,510**	**(167,511)**
Taxation (Charge) / Credit	(11,066)	20,932
Profit / (Loss) after tax	**77,444**	**(146,578)**

DESCRIPTION OF INTESA SANPAOLO BANK LUXEMBOURG S.A

History and Legal Status

Intesa Sanpaolo Bank Luxembourg S.A. ("**Intesa Luxembourg**") is a *Société Anonyme* ("S.A."), originally incorporated under the name Société Européenne de Banque S.A. By a decision taken at an extraordinary shareholders meeting held on 5 October 2015, the legal name of the bank was changed from Société Européenne de Banque S.A. to Intesa Sanpaolo Bank Luxembourg S.A.

Intesa Luxembourg was incorporated in Luxembourg on 2 June 1976 under Luxembourg law, notably the law of 10 August 1915, as amended. Intesa Luxembourg holds a banking licence pursuant to Luxembourg law issued on 19 May 1976 under number 23906 by the Ministère des Classes Moyennes.

In the context of successive group consolidations having taken place, with effect from 1 January 2002, Intesa Luxembourg incorporated all assets and liabilities of Banca Intesa International S.A., Luxembourg. With effect from 7 July 2008, Intesa Luxembourg incorporated the non-investment fund assets and liabilities of Sanpaolo Bank S.A., Luxembourg.

At 31 December 2020, authorised, issued and fully paid capital stood at €1,389,370,555.36. Total equity, including issued share capital and reserves in the standalone annual statement, stood at €2,506,821,925.

With effect on 1 February 2016, the activities of the former Amsterdam branch of Intesa Sanpaolo S.p.A. were transferred to a newly created branch of Intesa Luxembourg situated in Amsterdam. The transfer was in kind against the issue of 13,750 new shares directly to Intesa Sanpaolo S.p.A. consisting of €4,279,308.01 to share capital and €7,720,691.99 to share premium.

On 22 September 2016, Intesa Luxembourg's capital was increased from €539,370,828.01 to €989,370,720.28, the increase being fully subscribed by Intesa Sanpaolo Holding International S.A., a company wholly controlled by Intesa Sanpaolo S.p.A., and authorised capital has been established at €1,389,370,555.36.

In August 2017, Intesa Sanpaolo S.p.A. sold its 0.4325 % holding of Intesa Luxembourg's share capital to Intesa Sanpaolo Holding International S.A.

On 25 October 2017, Intesa Luxembourg's capital was further increased from €989,370,720.28 to €1,389,370,555.36, the increase being fully subscribed by Intesa Sanpaolo Holding International S.A., which remains the sole direct shareholder.

On 01 August 2021, within the context of a wider strategic re-organisation in the Intesa Sanpaolo banking group, and further to decisions of their respective extraordinary shareholder meetings, Intesa Luxembourg sold its wealth management business to Fideuram Bank Luxembourg S.A., another group entity in Luxembourg active in fund management and private banking. Intesa Luxembourg is thus now fully concentrated on its core business of corporate financing, notably with the creation in November 2021 of a new structured finance hub. With effect from 1st January 2022, the Amsterdam branch was closed and its activities transferred to Intesa Sanpaolo S.p.A.

As indicated above, Intesa Luxembourg is a wholly-owned subsidiary of Intesa Sanpaolo Holding International S.A. which is in turn wholly owned by Intesa Sanpaolo. As such, Intesa Luxembourg is under the control of Intesa Sanpaolo. At the date of this Base Prospectus, other than as set out herein, Intesa Luxembourg is not aware of any arrangement the operation of which may at a date subsequent to the date of this Base Prospectus result in a change in control of Intesa Luxembourg.

No specific measures have been put in place by Intesa Luxembourg to ensure that Intesa Sanpaolo's control of Intesa Luxembourg is not abused. Intesa Sanpaolo and the Intesa Sanpaolo Group have been classified, respectively, as a significant supervised entity and a significant supervised group within the meaning of Regulation (EU) No. 468/2014 of the European Central Bank of 16 April 2014 establishing the framework for co- operation within the Single Supervisory Mechanism between the European Central Bank and each national competent authority and with national designated authorities (the "**SSM Framework Regulation**") and, as such, are subject to direct prudential supervision by the ECB in respect of the functions granted to ECB by the SSM Regulation and the SSM Framework Regulation.

Intesa Luxembourg is registered with the Register of Commerce and Companies (*Registre de Commerce et des Sociétés*) in Luxembourg under registration number B13859.

Its registered office is located at 28 Boulevard de Kockelscheuer, L-1821 Luxembourg (tel: + 352 4614111).

Intesa Luxembourg's website is https://www.intesasanpaolobankluxembourg.lu. The information on the website does not form part of this Base Prospectus unless information contained therein is incorporated by reference into this Base Prospectus.

Activities

As a licensed bank, the principal areas of business of Intesa Luxembourg include:

- Corporate banking;
- International lending to corporate and credit institutions on a bilateral or syndicated basis;
- Management of a portfolio of securities held for liquidity purposes; and
- Treasury activities.

Intesa Luxembourg's credit exposures are widely diversified geographically, with however an emphasis on Europe, and more particularly on Italy and Italian related risks. Based on total assets as at 31 December 2022, Intesa Luxembourg is ranked the eighth largest bank in Luxembourg (*Source: KPMG - Luxemburger Wort, Classement des Banques 2023*).

On 31st October 2023, Intesa Luxembourg has 165 members of staff.

Board of Directors

The current composition of the Board of Directors of Intesa Luxembourg is as follows:

Name and Title	Principal Activities outside Intesa Luxembourg
Christian Schaack Chair of the Board	• Director of Intesa Sanpaolo Holding International S.A. • Member of the Supervisory Board and member of the audit committee of Vseobecna Uverova Banka VUB a.s. • Director and Vice-Chair of Intesa Sanpaolo International Value Services D.O.O. • Director of Macaria Tinena SL
Massimo Torchiana CEO	• Chair of Lux Gest Asset Managements S.A. • Member of the Board of Directors of Intesa Sanpaolo Brasil S.A. – Banco Múltiplo • Board member of the ABBL • Board member of the Fondation Cavour
Francesco Introzzi Vice Chair of the Board	• Non-executive Director Intesa Sanpaolo Bank Ireland • Non-executive Director Intesa Sanpaolo Brasil S.A. - Banco Múltiplo • Non-executive Director Exetra s.p.a.

Name and Title	Principal Activities outside Intesa Luxembourg
	• Non-Executive Director Lux Gest Asset Management S.A.
Florence Reckinger-Taddei	• Member of the Board of Directors and Vice Chair of the Board of Directors of Intesa Sanpaolo Holding International S.A
	• Member of the audit & risk committee of Intesa Sanpaolo Holding International S.A.
	• Member of the Board of Directors of the Red Cross Luxembourg
	• Member of the Board of Directors of the Mudam Musée d'Art Moderne Grand-Duc Jean Luxembourg
	• Chair of the Board of Directors of the Friends of Art and History Museums Luxembourg asbl
	• President of the Board of Directors of Foundation of Friends of Luxembourg Museums of Art and History
	• President of the Board of Directors of Let'z Arles, asbl
	• Member of the Board of Fonds de dotation des Rencontres d'Arles
	• Member of the Board of the Rencontres d'Arles asbl
	• Member of the Board and vice Chair of the fonds de dotation of the Ecole Nationale Supérieure de Photographie d'Arles
	• Member of the Board of Directors of Edward Steichen Awards Luxembourg asbl
Novella Burioli	• Non-executive Director Intesa Sanpaolo IMI Securities Corp.
Aude Lemogne	• Executive Director LINK MANAGEMENT
	• Independent Board Director AXA Wealth Europe
	• Independent Board Director PEI (Private Equity International)
	• Independent Board Director RUFFER SICAV (part of Ruffer LLP)
	• Independent Board Director RUFFER RPS (part of Ruffer LLP)
	• Independent Non-executive Director Trustee, ClientEarth, NGO
	• Independent Board Director at Alpha Trains Finance SA

Name and Title	Principal Activities outside Intesa Luxembourg
Marco Bertotti	-
Enrico Gorla	• Non-Executive Director LQH SA • Board Member of the Fondation Cavour • Board Member CCIL Camera di Commercio Italo Lussemburghese (since 1999)
Andrea Mayr	-
Laura Segni	• Non-executive director Intesa Sanpaolo IMI Securities Corp.
Gabriele Luisetto	-

The business address of each member of the Board of Directors listed above is 28 Boulevard de Kockelscheuer, L-1821 Luxembourg.

Conflicts of Interest

Intesa Luxembourg is not aware of any potential conflicts of interest between the duties to Intesa Luxembourg of each of the members of the Board of Directors listed above and their private interests or other duties.

INTESA SANPAOLO BANK LUXEMBOURG S.A.
ANNUAL STATEMENT OF FINANCIAL POSITION AS AT 31.12.2022[28]

	31.12.2022 Audited *'000 EUR*	31.12.2021 Audited *'000 EUR*
Assets		
Cash and cash balances with central banks	**1,303,175**	**619,220**
Financial assets measured at fair value through profit or loss ("FVTPL")		
Financial assets held for trading	1,804	5,858
Financial assets mandatorily measured at fair value	400	503
	2,204	**6,361**
Financial assets measured at fair value through other comprehensive income ("FVTOCI")	**2,994,980**	**3,695,808**
Loans and advances		
Loans and advances to credit institutions	5,564,965	6,747,753
Loans and advances to customers	7,995,419	8,957,309
	13,560,384	**15,705,062**
Derivatives held for hedging	**404,038**	**29,160**
Tangible fixed assets	**10,170**	**728**
Intangible assets	**-**	**-**
Deferred Tax assets	**18,047**	**1,249**
Other assets	**72,973**	**23,727**
Non-current assets held-for-sale and disposal groups	**-**	**1,010,638**
Total Assets	**18,365,972**	**21,091,953**

[28] The table above shows an overview of the annual statement of financial position of Intesa Sanpaolo Bank Luxembourg S.A. as at 31 December 2022. The audited annual financial statements as shown in the 2022 annual report are incorporated by reference in this Base Prospectus (see "*Information Incorporated by Reference*").

INTESA SANPAOLO BANK LUXEMBOURG S.A.
ANNUAL STATEMENT OF FINANCIAL POSITION AS AT 31.12.2022[29]

	31.12.2022 Audited *'000 EUR*	31.12.2021 Audited *'000 EUR*
Liabilities		
Deposits from central banks	**-**	**1,984,445**
Financial liabilities measured at fair value through profit or loss ("FVTPL")		
Financial liabilities held for trading	24,260	33,444
	24,260	**33,444**
Financial liabilities measured at amortised cost ("AC")		
Deposits from credit institutions	6,087,741	4,828,839
Deposits from customers	2,237,404	3,004,368
Debts evidenced by certificates	7,539,766	7,157,682
	15,864,911	**14,990,889**
Derivatives held for hedging	**15,681**	**40,860**
Provisions	**14,098**	**3,349**
Deferred Tax liabilities	**366**	**456**
Other liabilities	**24,240**	**21,606**
Liabilities associated with disposal group	**-**	**1,397,368**
Total liabilities	**15,943,557**	**18,472,417**
Equity		
Share capital and share premium	1,397,092	1,397,092
Revaluation reserve	(44,942)	(1,893)
Other reserves and retained earnings	1,224,094	1,063,493
Net (loss) profit for the year	(153,828)	160,844
Total equity	**2,422,415**	**2,619,536**
Total Liabilities and Equity	**18,365,972**	**21,091,953**

[29] The table above shows an overview of the annual statement of financial position of Intesa Sanpaolo Bank Luxembourg S.A. as at 31 December 2022. The audited annual financial statements as shown in the 2022 annual report are incorporated by reference in this Base Prospectus (see "*Information Incorporated by Reference*").

INTESA SANPAOLO BANK LUXEMBOURG S.A.
ANNUAL STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31.12.2022[30]

	31.12.2022 Audited *'000 EUR*	31.12.2021 Audited *'000 EUR*
CONTINUING OPERATIONS:		
Interest income	287,546	174,230
Interest expenses	(157,046)	(65,204)
Net interest income	**130,500**	**109,026**
Fee and commission income	65,980	67,869
Fee and commission expenses	(21,609)	(20,056)
Net fee and commission income	**44,371**	**47,813**
Dividend income	29	45
Net (un)realised losses on financial assets and liabilities held for trading	**(14,112)**	**(24,075)**
Net unrealised gains/(losses) on financial assets and liabilities held for hedging	**(1,038)**	**389**
Net (un)realised gains/(losses) on financial assets and liabilities at fair value through profit or loss	**(47)**	**83**
Net realised gains on financial assets and liabilities not at fair value through profit or loss	**16,281**	**13,651**
Net other operating expenses	**(3,919)**	**125**
Administrative expenses	**(49,166)**	**(47,176)**
Depreciation and amortisation	**(2,137)**	**(2,093)**
Provisions	**(10,728)**	**2,580**
Net impairment result on financial assets	**(333,478)**	**25,546**
Other extraordinary income	**15,000**	**1,020**
Tax (expense) income	**54,616**	**418**
Discontinued operations	**0**	**33,492**
Net (Loss) Profit for the Year	**(153,828)**	**160,844**

[30] The table above shows an overview of the annual statement of profit or loss or other comprehensive income of Intesa Sanpaolo Bank Luxembourg S.A. for the year ended 31 December 2022. The audited annual financial statements as shown in the 2022 annual report are incorporated by reference in this Base Prospectus (see "*Information Incorporated by Reference*").

INTESA SANPAOLO BANK LUXEMBOURG S.A.
ANNUAL STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31.12.2022[31]

	31.12.2022 Audited *'000 EUR*	31.12.2021 Audited *'000 EUR*
Net (loss) profit for the year	**(153,828)**	**160,844**
Other comprehensive income:		
Items that are or may be reclassified to profit or loss		
Net change in fair value on financial assets at fair value through other comprehensive income and expected credit losses	(57,353)	(10,405)
Deferred tax relating to the components of other comprehensive income	14,304	2,595
Other comprehensive (loss) for the year, net of tax	**(43,049)**	**(7,810)**
Total comprehensive (loss) income for the year	**(196,877)**	**153,034**

[31] The table above shows an overview of the annual statement of profit or loss or other comprehensive income of Intesa Sanpaolo Bank Luxembourg S.A. for the year ended 31 December 2022. The audited annual financial statements as shown in the 2022 annual report are incorporated by reference in this Base Prospectus (see "*Information Incorporated by Reference*").

OVERVIEW OF THE SYDNEY BRANCH

Overview of the branch

Intesa Sanpaolo S.p.A. was registered as a foreign company with the Australian Securities and Investments Commission ("**ASIC**") on 8 March 2012 and operates through its Sydney Branch (the "**Sydney Branch**"). The registered office of the Sydney Branch is Level 62, MLC Centre, 25 Martin Place, Sydney, New South Wales 2000, Australia. Intesa Sanpaolo S.p.A.'s Australian Registered Body Number ("**ARBN**") is 15 153 829 and its Australian Business Number ("**ABN**") is 46 156 153 829.

The Sydney Branch fits into Intesa Sanpaolo Corporate and Investment Banking Division ("**CIB**"). The Sydney Branch offers a range of products exclusively to corporate clients. From a sector perspective, the clients will include institutions involved in infrastructure and public interest projects or in public-private sector cooperation. The Sydney Branch has also established consolidated relations and works actively with domestic, international and Italian institutions.

The Sydney Branch currently has 17 full-time staff, working in its Departments of Structured Finance, Corporate Coverage, Treasury, Accounting and Operations, Risk Management, Cyber Security, Compliance and AML.

Senior Managers are the General Manager, the Managing Director of Structured Finance, the Business Director, Head of Compliance and AML and the Treasurer.

Funding strategy of the branch

The Sydney Branch funding strategy is consistent with the prudent business practice for an ADI, in accordance with the APRA's liquidity standard. As part of the Intesa Sanpaolo Group, the Sydney Branch's liquidity is based on the Group funding strategy and is driven by a robust funding strategy aimed at balancing both the cost of funds and the associated risks. Such strategy is based on the following pillars:

- adequate mix of funding channels;
- appropriate funding capacity to fund targeted growth;
- diversification of funding sources;
- lengthening of liabilities duration;
- overall cost of funds management.

The Sydney Branch funding strategy is aligned with the standard model adopted by all ISP CIB Foreign Branches. This model is based on a close coordination with the Intesa Sanpaolo S.p.A. Treasury Department that provides full support and commitment to the Sydney Branch with the aim of defining the most suitable funding sources.

The Medium Long Term ("**MLT**") funding is aimed at both extending the average maturity of the Sydney Branch liabilities and diversifying the funding sources. Although the primary source of MLT funding is the internal funding from Intesa Sanpaolo S.p.A., the issuance of unsecured bonds denominated in AUD from the Sydney Branch is an additional tool also in the context of the Group's broadening of the investor base in terms of geographical distribution.

Regulated activities and business activities

On 17 December 2020, Intesa Sanpaolo S.p.A. was authorised by the Australian Prudential Regulation Authority ("**APRA**") (as defined below) to carry on banking business in Australia as a foreign authorised deposit-taking institution ("**ADI**") (as defined below) pursuant to Section 9 of the Banking Act 1959 (Cth) of Australia (the "**Australian Banking Act**"). The Sydney Branch also holds an Australian Financial Services Licence ("**AFSL**") (number 520252), issued by ASIC, to provide financial services in Australia. The Sydney Branch's AFSL permits it to provide financial product advice in relation to certain specified financial products.

APRA is the prudential regulator that governs ADIs who carry on a banking business in Australia. APRA's prudential responsibilities include the regulation of non-Australian financial institutions that operate a banking business in Australia for the purposes of the Australian Banking Act. Under the Australian Banking Act, the Sydney Branch is licensed by APRA as a foreign ADI. APRA requires ADIs (including foreign ADIs, such as the Sydney Branch) to meet certain prudential requirements, which are set out in the Prudential Standards published by APRA and available on APRA's website (www.apra.gov.au).

The Sydney Branch's authorisation from APRA to carry on banking business in Australia is subject to the condition that it may not accept deposits of less than A$250,000 from any source other than from (a) incorporated entities, (b) persons or unincorporated entities that are not residents of Australia, (c) its own employees or (d) persons or non-incorporated entities with an initial balance with the foreign ADI of at least A$250,000. Activities carried out by the Sydney Branch include:

(a) providing general financial product advice for the following classes of financial products:

  (i) deposit and payment products including:

    (A) basic deposit products;

    (B) deposit products other than basic deposit products; and

    (C) non-cash payment products;

  (ii) derivatives;

  (iii) foreign exchange contracts;

  (iv) debentures, stocks or bonds issued or proposed to be issued by a government; and

  (v) securities;

(b) dealing in a financial product by:

  (i) issuing, applying for, acquiring, varying or disposing of a financial product in respect of the following classes of financial products:

    (A) deposit and payment products including:

      (1) basic deposit products;

      (2) deposit products other than basic deposit products; and

      (3) non-cash payment products;

    (B) derivatives;

    (C) foreign exchange contracts;

    (D) debentures, stocks or bonds issued or proposed to be issued by a government; and

    (E) securities;

  (ii) applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of the following classes of products:

    (A) deposit and payment products including:

      (1) basic deposit products;

      (2) deposit products other than basic deposit products; and

(3) non-cash payment products;

(B) derivatives;

(C) foreign exchange contracts;

(D) debentures, stocks or bonds issued or proposed to be issued by a government; and

(E) securities

to wholesale clients.

No depositor protection

The Notes will not be protected accounts or deposit liabilities of the Sydney Branch for the purposes of the Australian Banking Act. In addition, the Sydney Branch's indebtedness in respect of the Notes is not guaranteed or insured by any government, government agency or compensation scheme of Australia or any other jurisdiction.

TAXATION

ITALIAN TAXATION

The statements herein regarding taxation are based on the laws in force as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules. Prospective purchasers of the Notes are advised to consult their own tax advisers concerning the overall tax consequences of their ownership of the Notes. This summary is based upon the laws and/or practice in force as at the date of this Base Prospectus. Italian tax laws and interpretations may be subject to frequent changes which could be made on a retroactive basis.

Italian legal or tax concepts may not be identical to the concepts described by the same English term as they exist under terms of different jurisdictions and any legal or tax concept expressed by using the relevant Italian term shall prevail over the corresponding concept expressed in English terms.

In this Italian Taxation section any reference to (i) the Notes includes also the Coupons and (ii) the Noteholders includes also the Couponholders, where the context so admits.

Taxation of the Notes issued by Intesa Sanpaolo

Tax treatment of Notes issued by the Issuer

Italian Legislative Decree No. 239 of 1 April 1996, as subsequently amended ("**Decree No. 239**") sets out the applicable tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) (hereinafter collectively referred to as "**Interest**") deriving from notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) issued by, *inter alia*, Italian banks.

The provisions of Decree No. 239 only apply to notes issued by the Issuer to the extent that they qualify as bonds or debentures similar to bonds pursuant to Article 44 of Presidential Decree No. 917 of 22 December 1986, as amended and supplemented. For these purposes, securities similar to bonds (*titoli similari alle obbligazioni*) are securities that: (a) incorporate an unconditional obligation of the Issuer to pay at maturity an amount not lower than their nominal value, with or without the payment of periodic interest, and (b) do not give any right to directly or indirectly participate in the management of the Issuer or to the business in connection to which the securities were issued, nor to control the same.

The tax regime set forth by Decree No. 239 also applies to Interest from regulatory capital financial instruments complying with EU and Italian regulatory principles, issued by, *inter alia*, Italian banks, other than shares and assimilated instruments, as set out by Article 2, paragraph 22, of Law Decree No. 138 of 13 August 2011, as converted with amendments by Law No. 148 of 14 September 2011 and as further amended.

Otherwise, Notes that do not qualify as debentures similar to bonds may be characterized for Italian tax purposes as "atypical securities" and as such regulated by Law Decree No. 512 of 30 September 1983.

Italian resident Noteholders

Pursuant to Decree No. 239, where the Italian resident holder of Notes issued by Intesa Sanpaolo that qualify as *obbligazioni* or *titoli similari alle obbligazioni*, who is the beneficial owner of Interest payments under such Notes, is:

(a) an individual not engaged in an entrepreneurial activity to which the Notes are connected; or

(b) a partnership (other than a *società in nome collettivo* or *società in accomandita semplice* or similar partnership), or a de facto partnership not carrying out commercial activities or professional association; or

(c) private or public institutions, other than companies, trusts not carrying out mainly or exclusively commercial activities, the Italian State and public and territorial entities; or

(d) an investor exempt from Italian corporate income taxation,

Interest payments relating to the Notes are subject to a tax, referred to as *imposta sostitutiva*, levied at the rate of 26 per cent. (either when Interest is paid or when payment thereof is obtained by the holder on a sale of the Notes). All the above categories are qualified as "net recipients" (unless they have entrusted the management of his financial assets, including the Notes, to an authorised intermediary and have opted for the so-called "*regime del risparmio gestito"* (the "**Asset Management Regime**") according to Article 7 of Italian Legislative Decree No. 461 of 21 November 1997, as amended ("**Decree No. 461**")).

Where the resident holders of the Notes described above under (a) and (c) above are engaged in an entrepreneurial activity to which the Notes are connected, *imposta sostitutiva* applies as a provisional income tax. Interest will be included in the relevant beneficial owner's Italian income tax return and will be subject to Italian ordinary income taxation and the *imposta sostitutiva* may be recovered as a deduction from the Italian income tax due.

Subject to certain limitations and conditions (including a minimum holding period), Interest in respect of Notes issued by Intesa Sanpaolo that qualify as *obbligazioni* or *titoli similari alle obbligazioni* received by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from taxation, including the 26 per cent. *imposta sostitutiva*, if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Pursuant to Decree No. 239, the 26 per cent. *imposta sostitutiva* is applied by banks, *società di intermediazione mobiliare* (so-called "**SIMs**"), fiduciary companies, *società di gestione del risparmio* (**"SGRs"**), stock brokers and other qualified entities identified by a decree of the Ministry of Finance ("**Intermediaries**" and each an "**Intermediary**"). An Intermediary must (i) be (a) resident in Italy, or (b) a permanent establishments in Italy of a non Italian resident Intermediary or (c) an entity or a company not resident in Italy, acting through a system of centralised administration of securities and directly connected with the Department of Revenue of Italian Ministry of Finance having appointed an Italian representative for the purposes of Decree No. 239 and (ii) intervene, in any way, in the collection of Interest or, also as transferees, in transfers or disposals of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes are not deposited with an Intermediary meeting the requirements under (i) and (ii) above, the *imposta sostitutiva* is applied and withheld by any Italian intermediary paying Interest to the holders of the Notes or, absent that, by the Issuer.

Payments of Interest in respect of Notes issued by Intesa Sanpaolo that qualify as *obbligazioni* or *titoli similari alle obbligazioni* are not subject to the 26 per cent. *imposta sostitutiva* if made to beneficial owners who are: (i) Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected; (ii) Italian resident partnerships carrying out commercial activities *(società in nome collettivo or società in accomandita semplice*); (iii) Italian resident open-ended or closed-ended collective investment funds, investment companies with a variable capital ("**SICAVs**"), investment companies with fixed capital ("**SICAFs**"), other than Real Estate Funds (as defined below) (together the "**Funds**" and each a "**Fund**"), Italian resident pension funds referred to in Legislative Decree No. 252 of 5 December 2005 ("**Decree No. 252**"), Italian real estate investment companies with fixed capital ("**Real Estate SICAFs**") and Italian resident real estate investment funds (together with Real Estate SICAFs, the "**Real Estate Funds**"); and (iv) Italian resident holders of the Notes included in the abovementioned "net recipients" categories who have entrusted the management of their financial assets, including the Notes, to an authorised financial Intermediary and have opted for the Asset Management Regime.

Such categories are qualified as "gross recipients". To ensure payment of Interest in respect of the Notes without the application of 26 per cent. *imposta sostitutiva*, gross recipients indicated above under (i) to (iv)

must: (a) be the beneficial owners of payments of Interest on the Notes and (b) deposit the Notes in due time, together with the coupons relating to such Notes, directly or indirectly with an Intermediary. Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian intermediary paying Interest to the holders of the Notes or, absent that, by the Issuer. Gross recipients that are Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected are entitled to deduct *imposta sostitutiva* suffered from income taxes due.

Interest accrued on the Notes shall be included in the corporate taxable income (and in certain circumstances, depending on the "status" of the Noteholder, also in the net value of production for purposes of regional tax on productive activities – "**IRAP**") of beneficial owners who are Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected and subject to tax in Italy in accordance with ordinary tax rules.

Italian resident investors who have opted for the Asset Management Regime are subject to a 26 per cent. annual substitute tax (the "**Asset Management Tax**") on the increase in value of the managed assets accrued at the end of each tax year (which increase would include Interest accrued on the Notes). The Asset Management Tax is applied on behalf of the taxpayer by the managing authorised Intermediary.

If the investor is resident in Italy and is a Fund and the relevant Notes are held by an authorised Intermediary, Interest accrued during the holding period on such Notes will not be subject to *imposta sostitutiva*, but must be included in the financial results of the Fund. The Fund will not be subject to taxation on such result, but a withholding tax of 26 per cent. will apply, in certain circumstances, to distributions made in favour of unitholders or shareholders (the "**Collective Investment Fund Tax**").

Where a Noteholder is a Real Estate Fund, to which the provisions of Law Decree No. 351 of 25 September 2001, Law Decree No. 78 of 31 May 2010, converted into Law No. 122 of 30 July 2010, and Legislative Decree No. 44 of 4 March 2014, all as amended, apply. Interest accrued on the Notes will be subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the Real Estate Fund, to the extent the Notes are timely deposited with an Intermediary. The income of the Real Estate Fund may be subject to tax, in the hands of the unitholder or shareholder, depending on the status and percentage of participation, or, when earned by the Real Estate Fund, through distribution and/or upon redemption or disposal of the units or the shares.

Where an Italian resident Noteholder is a pension fund (subject to the regime provided by Article 17 of Decree No. 252) and the Notes are deposited with an Intermediary, Interest relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of each tax period, to be subject to a 20 per cent. substitute tax (the "**Pension Fund Tax**") on the increase in value of the managed assets accrued at the end of each tax year (which increase would include Interest accrued on the Notes).

Subject to certain limitations and conditions (including a minimum holding period requirement), Interest in respect to the Notes may be excluded from the taxable base of the Pension Fund Tax if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Non-Italian resident Noteholders

According to Decree No. 239, payments of Interest in respect of the Notes issued by Intesa Sanpaolo that qualify as *obbligazioni or titoli similari alle obbligazioni* will not be subject to the *imposta sostitutiva* at the rate of 26 per cent. if made to Noteholders who are non-Italian resident beneficial owners of the Interest payments with no permanent establishment in Italy to which the Notes are effectively connected *provided that*:

(a) such beneficial owners are resident for tax purposes in a state or territory which allows an adequate exchange of information with Italy as listed in the Decree of the Minister of Finance dated 4 September 1996, as amended and supplemented, lastly by Ministerial Decree of 23 March 2017, and possibly further amended by future decrees issued pursuant to Article 11 paragraph 4 (c) of Decree No. 239 (the "**White List**"); and

(b) all the requirements and procedures set forth in Decree No. 239 and in the relevant implementation rules, as subsequently amended, in order to benefit from the exemption from *imposta sostitutiva* are met or complied with in due time.

Decree No. 239 also provides for additional exemptions from the *imposta sostitutiva* for payments of Interest in respect of the Notes made to (i) international entities and organisations established in accordance with international agreements ratified in Italy; (ii) certain foreign institutional investors, whether or not subject to tax, which are established in countries included in the White List and provided that they timely file with the relevant depositary the appropriate self-declaration; and (iii) Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State.

To ensure payment of Interest in respect of the Notes without the application of 26 per cent. *imposta sostitutiva*, non-Italian resident investors indicated above must:

(a) be the beneficial owners of payments of Interest on the Notes (institutional investors that do not possess the status of taxpayer are deemed to be beneficial owners by operation of law);

(b) deposit the Notes in due time together with the coupons relating to such Notes directly or indirectly with an Italian resident bank or SIM or a permanent establishment in Italy of a non-Italian resident bank or SIM, or with a non-Italian resident operator participating in a centralised securities management system which is in contact via computer with the Ministry of Economy and Finance; and

(c) file with the relevant depository a statement (*autocertificazione*) in due time stating, *inter alia,* that he or she is resident, for tax purposes, in a White List State. Such statement (*autocertificazione*), which must comply with the requirements set forth by Ministerial Decree of 12 December 2001 (as amended and supplemented), is valid until withdrawn or revoked and need not be submitted where a certificate, declaration or other similar document meant for equivalent uses was previously submitted to the same depository. The statement (*autocertificazione*) is not required for non-Italian resident investors that are international entities and organisations established in accordance with international agreements ratified in Italy and Central Banks or entities which manage, *inter alia*, the official reserves of a foreign state.

Failure of a non-resident holder of the Notes to comply in due time with the procedures set forth in Decree No. 239 and in the relevant implementation rules will result in the application of *imposta sostitutiva* on Interest payments to a non-resident holder of the Notes.

Non-resident holders of the Notes who are subject to substitute tax might, nevertheless, be eligible for a total or partial relief under an applicable tax treaty between the Republic of Italy and the country of residence of the relevant holder of the Notes provided that all conditions for its application are met.

Taxation of Notes issued by INSPIRE or by Intesa Luxembourg

Decree No. 239 regulates the tax treatment of Interest from notes issued by, *inter alia*, non-Italian resident entities. The provisions of Decree No. 239 only apply to Interest from the Notes issued by INSPIRE or by Intesa Luxembourg which qualify as bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) pursuant to Article 44 of Decree No. 917.

Italian resident Noteholders

Where the Italian resident holder of Notes issued by INSPIRE or by Intesa Luxembourg that qualify as *obbligazioni* or *titoli similari alle obbligazioni*, who is the beneficial owner of such Notes, is:

(a) an individual not engaged in an entrepreneurial activity to which the Notes are connected; or

(b) a partnership (other than a *società in nome collettivo* or *società in accomandita semplice* or similar partnership) or a de facto partnership not carrying out commercial activities or professional association; or

(c) private or public institutions, other than companies, trusts not carrying out mainly or exclusively commercial activities, the Italian State and public and territorial entities; or

(d) an investor exempt from Italian corporate income taxation.

Interest payments relating to the Notes are subject to a tax, referred to as *imposta sostitutiva*, levied at the rate of 26 per cent. (either when Interest is paid or when payment thereof is obtained by the holder on a sale of the Notes). All the above categories are qualified as "net recipients" (unless they have entrusted the management of his financial assets, including the Notes, to an authorised intermediary and have opted for the Asset Management Regime).

Where the resident holders of the Notes described under (a) and (c) above are engaged in an entrepreneurial activity to which the Notes are connected, *imposta sostitutiva* applies as a provisional income tax. Interest will be included in the relevant beneficial owner's Italian income tax return and will be subject to Italian ordinary income taxation and the *imposta sostitutiva* may be recovered as a deduction from Italian income tax due.

Pursuant to Decree No. 239, the 26 per cent. *imposta sostitutiva* is applied by the Intermediaries. The Intermediaries must intervene in any way in the collection of Interest or, also as transferees, in transfers or disposals of the Notes. For the purpose of the application of the *imposta sostitutiva*, a transfer of Notes includes any assignment or other act, either with or without consideration, which results in a change of the ownership of the relevant Notes or in a change of the Intermediary with which the Notes are deposited.

Where the Notes and the relevant coupons are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian intermediary paying Interest to the Noteholders.

Subject to certain limitations and conditions (including a minimum holding period), Interest in respect of Notes issued by INSPIRE or by Intesa Luxembourg that qualify as *obbligazioni* or *titoli similari alle obbligazioni* received by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from taxation, including the 26 per cent. *imposta sostitutiva*, if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Payments of Interest in respect of Notes issued by INSPIRE or by Intesa Luxembourg that qualify as *obbligazioni* or *titoli similari alle obbligazioni* are not subject to the 26 per cent. *imposta sostitutiva* if made to beneficial owners who are: (i) Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected; (ii) Italian resident partnerships carrying out commercial activities (*società in nome collettivo or società in accomandita semplice*); (iii) Funds, Italian resident pension funds referred to in Decree No. 252, Italian resident Real Estate Funds; and (iv) Italian resident holders of the Notes included in the abovementioned "net recipients" categories who have entrusted the management of their financial assets, including the Notes, to an authorised financial intermediary and have opted for the Asset Management Regime. Such categories are qualified as "gross recipients".

To ensure payment of Interest in respect of the Notes without the application of 26 per cent. *imposta sostitutiva*, gross recipients indicated under limbs (i) to (iv) above must (a) be the beneficial owners of payments of Interest on the Notes and (b) deposit the Notes in due time together with the coupons relating to such Notes directly or indirectly with an Intermediary. Where the Notes are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian intermediary paying Interest to the Noteholder and gross recipients that are Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected are entitled to deduct *imposta sostitutiva* suffered from income taxes due.

Interest accrued on the Notes would be included in the corporate taxable income (and in certain circumstances, depending on the "status" of the Noteholder, also in the net value of production for purposes of regional tax on productive activities – IRAP) of beneficial owners who are Italian resident corporations or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected and subject to tax in Italy in accordance with ordinary tax rules, and such beneficial owners may be entitled to a tax credit for any withholding taxes applied outside Italy on Interest on Notes issued by INSPIRE or by Intesa Luxembourg.

Italian resident investors who have opted for the Asset Management Regime are subject to the 26 per cent. annual Asset Management Tax on the increase in value of the managed assets accrued at the end of each tax year (which increase would include Interest accrued on the Notes). The Asset Management Tax is applied on behalf of the taxpayer by the managing authorised intermediary.

If the investor is resident in Italy and is a Fund and the relevant Notes are held by an authorised Intermediary, Interest accrued during the holding period on such Notes will not be subject to *imposta sostitutiva*, but must be included in the financial results of the Fund. The Fund will not be subject to taxation on such result, but the Collective Investment Fund Tax at the relevant applicable rate may apply on distributions made in favour of unitholders or shareholders.

Where a Noteholder is Real Estate Fund, to which the provisions of Law Decree No. 351 of 25 September 2001, Law Decree No. 78 of 31 May 2010, converted into Law No. 122 of 30 July 2010, and Legislative Decree No. 44 of 4 March 2014, all as amended, apply, Interest accrued on the Notes will be subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the Real Estate Fund to the extent the Notes are deposited with an Intermediary. The income of the Real Estate Fund is subject to tax, in the hands of the unitholder or shareholder, depending on the status and percentage of participation, or, when earned by the Real Estate Fund, through distribution and/or upon redemption or disposal of the units or the shares.

Italian resident pension funds subject to the regime provided by Article 17 of Decree No. 252 are subject to the Pension Fund Tax on the increase in value of the managed assets accrued at the end of each tax year (which increase would include Interest accrued on the Notes).

Subject to certain limitations and conditions (including a minimum holding period), Interest in respect to the Notes issued by INSPIRE or by Intesa Luxembourg may be excluded from the taxable base of the Pension Fund if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Where Interest on Notes issued by INSPIRE or by Intesa Luxembourg and beneficially owned by Noteholders qualifying as net recipients, as defined above, are not collected through the intervention of an Intermediary or any other Italian intermediary paying Interest to the Noteholders and as such no *imposta sostitutiva* is applied, the Italian resident beneficial owners qualifying as net recipients will be required to declare Interest in their yearly income tax return and subject them to final substitute tax at a rate of 26 per cent., unless option for a different regime is allowed and made.

Non-Italian resident Noteholders

Interest payments relating to Notes issued by INSPIRE or by Intesa Luxembourg and received by non-Italian resident beneficial owners are not subject to taxation in Italy.

If Notes issued by INSPIRE or by Intesa Luxembourg and beneficially owned by non-Italian residents are deposited with an Italian bank or other resident intermediary (or permanent establishment in Italy of foreign intermediary) or are sold through any such intermediary or in any case an Italian resident intermediary (or permanent establishment in Italy of foreign intermediary) intervenes in the payment of Interest on such Notes, to ensure payment of Interest without application of Italian taxation a non-Italian resident Noteholder may be required to produce to the relevant intermediary a statement (*autocertificazione*) stating that he or she is not resident in Italy for tax purposes.

Fungible issues

Pursuant to Article 11, paragraph 2 of Decree No. 239, where Intesa Sanpaolo issues a new Tranche forming part of a single series with a previous Tranche, for the purposes of calculating the amount of Interest subject to *imposta sostitutiva* (if any), the issue price of the new Tranche will be deemed to be the same as the issue price of the original Tranche. This rule applies where (a) the new Tranche is issued within 12 months from the issue date of the previous Tranche and (b) the difference between the issue price of the new Tranche and that of the original Tranche does not exceed 1 per cent. of the nominal value of the Notes multiplied by the number of years of the duration of the Notes.

Atypical securities

Interest payments relating to Notes that are not deemed to fall within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*) but qualify as atypical securities (*titoli atipici*) may be subject, pursuant to Article 5 of Law Decree No. 512 of 30 September 1983, to a withholding tax, levied at the rate of 26 per cent. For this purpose, securities similar to bonds are securities that incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value with or without the payment of periodic interest, and do not give any right to directly or indirectly participate in the management of the Issuer or to the business in connection to which the securities were issued, nor to control the same.

In the case of Notes issued by an Italian-resident Issuer, where the Noteholder is (i) an Italian individual engaged in an entrepreneurial activity to which the Notes are connected, (ii) an Italian company or a similar Italian commercial entity, (iii) a permanent establishment in Italy of a foreign entity to which the Notes are connected, (iv) an Italian commercial partnership or (v) an Italian commercial private or public institution, such withholding tax is a provisional withholding tax. In all other cases, the withholding tax is a final withholding tax.

If the Notes are issued by a non-Italian resident Issuer, the 26 per cent. withholding tax mentioned above does not apply to interest payments made to a non-Italian resident Noteholder and to an Italian resident Noteholder which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities), (ii) a commercial partnership or (iii) a commercial private or public institution.

Subject to certain limitations and conditions (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the above-mentioned withholding tax on Interest relating to the Notes not falling within the category of bonds (*obbligazioni*) or securities similar to bonds (*titoli similari alle obbligazioni*) qualifying as *titoli atipici* ("atypical securities") pursuant to Article 5 of Law Decree No. 512 of 30 September 1983, if such Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

For the sake of completeness it is worth pointing out that non-Italian resident Noteholders may be entitled to claim, if certain relevant conditions are met, a reduction of such 26 per cent. withholding tax under the double taxation treaty (generally, to 10 per cent. or to the other applicable rates, if more favourable), if any, entered into by Italy and their country of tax residence, provided that all the conditions for its application are met.

Payments made by the Guarantor

There is no authority directly regarding the Italian tax regime of payments on Notes made by an Italian resident guarantor. Accordingly, there can be no assurance that the Italian tax authorities will not assert an alternative treatment of such payments than that set forth herein or that the Italian court would not support such an alternative treatment.

With respect to payments made by Intesa Sanpaolo as Guarantor under the Trust Deed in respect of Notes issued by Intesa Luxembourg or by INSPIRE, in accordance with one interpretation of Italian tax law, any such payments may be subject to Italian withholding tax at the rate of 26 per cent. levied as a final tax or a provisional tax (*a titolo d'imposta or a titolo di acconto*) depending on the residential "status" of the Noteholder, pursuant to Presidential Decree No. 600 of 29 September 1973. In the case of payments to non-Italian residents, the withholding tax should be final and should apply at the rate of 26 per cent. Such non-Italian resident Noteholders may benefit from a double taxation treaty entered into by Italy and their country of tax residence allowing for a lower (or in certain cases, nil) withholding tax rate, provided that all the conditions for its application are met.

In that event, and in accordance with Condition 12 (*Taxation*) of the Terms and Conditions of the English Law Notes and Condition 11 (*Taxation*) of the Terms and Conditions of the Italian Law Notes, the Guarantor shall pay such additional amounts as will result in the receipt by the Noteholders and the

Couponholders (if relevant) after such withholding or deduction of such amounts as would have been received by them if no such withholding or deduction had been required.

In accordance with another interpretation, any such payment made by the Guarantor should be treated, in certain circumstances, as a payment by the relevant Issuer and subject to the tax treatment described above under section headed "*Taxation of Notes issued by INSPIRE or by Intesa Luxembourg*".

Capital gains

Notes Issued by Intesa Sanpaolo, INSPIRE or by Intesa Luxembourg

Pursuant to Decree No. 461, a 26 per cent. capital gains tax (referred to as "*imposta sostitutiva*") is applicable to capital gains realised by:

- an Italian resident individual not engaged in entrepreneurial activities to which the Notes are connected;
- an Italian resident partnership not carrying out commercial activities;
- an Italian private or public institution not carrying out mainly or exclusively commercial activities; or

on any sale or transfer for consideration of the Notes or redemption thereof.

Under the so-called "*regime della dichiarazione*" ("**Tax Declaration Regime**"), which is the standard regime for taxation of capital gains for the taxpayers mentioned above, the 26 per cent. *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains net of any relevant incurred capital losses realised pursuant to all investment transactions carried out during any given fiscal year. The capital gains realised in a year net of any relevant incurred capital losses must be detailed in the relevant annual tax return to be filed with Italian tax authorities and *imposta sostitutiva* must be paid on such capital gains together with any balance income tax due for the relevant tax year. Capital losses in excess of capital gains may be carried forward against capital gains of the same kind for up to the fourth subsequent fiscal year.

Alternatively to the Tax Declaration Regime, the holders of the Notes who are:

- Italian resident individuals not engaged in entrepreneurial activities to which the Notes are connected;
- Italian resident partnerships not carrying out commercial activities;
- Italian private or public institutions not carrying out mainly or exclusively commercial activities,

may elect to pay *imposta sostitutiva* separately on capital gains realised on each sale or transfer or redemption of the Notes under the so-called "*regime del risparmio amministrato*" (the "**Administrative Savings Regime**"). Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with banks, SIMs and any other Italian qualified intermediary (or permanent establishment in Italy of foreign intermediary) and (ii) an express election for the Administrative Savings Regime being made in writing in due time by the relevant holder of the Notes. The intermediary is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or transfer or redemption of the Notes, as well as on capital gains realised as at revocation of its mandate, net of any relevant incurred capital losses, and is required to pay the relevant amount to the Italian tax authorities on behalf of the holder of the Notes, deducting a corresponding amount from proceeds to be credited to the holder of the Notes. Where a sale or transfer or redemption of the Notes results in a capital loss, the intermediary is entitled to deduct such loss from gains of the same kind subsequently realised on assets held by the holder of the Notes within the same relationship of deposit in the same tax year or in the following tax years up to the fourth. Under the Administrative Savings Regime, the realised capital gain is not required to be included in the annual income tax return of the Noteholder.

Special rules apply if the Notes are part of a portfolio managed under the Asset Management Regime by an Italian asset management company or an authorised intermediary. The capital gains realised upon sale, transfer or redemption of the Notes will not be subject to 26 per cent. *imposta sostitutiva* on capital gains

but will contribute the determination of the annual accrued appreciation of the managed portfolio, subject to the Asset Management Tax. Any depreciation of the managed portfolio at the year-end may be carried forward against appreciation accrued in each of the following years up to the fourth. Also under the Asset Management Regime the realised capital gain is not required to be included in the annual income tax return of the Noteholder.

Any capital gains realised by Italian resident corporations or similar commercial entities or permanent establishments in Italy of non-Italian resident corporations to which the Notes are connected, will be included in their business income (and, in certain cases, depending on the "status" of the Noteholder, may also be included in the taxable net value of production for IRAP purposes), subject to tax in Italy according to the relevant ordinary tax rules.

Subject to certain limitations and conditions (including a minimum holding period), capital gains in respect of Notes realised upon sale, transfer or redemption by Italian resident individuals holding the Notes not in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No.509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from taxation, including the 26 per cent. *imposta sostitutiva*, if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

In the case of Notes held by Funds, capital gains on the Notes contribute to determine the increase in value of the managed assets of the Funds accrued at the end of each tax year. The Funds will not be subject to taxation on such increase, but the Collective Investment Fund Tax may apply, in certain circumstances, to distributions made in favour of unitholders or shareholders.

Any capital gains realised by a Noteholder who is a Real Estate Fund will be subject neither to *imposta sostitutiva* nor to any other income tax at the level of the Real Estate Fund, but subsequent distributions made in favour of unitholders or shareholders may be subject, in certain circumstances, to a withholding tax of 26 per cent.; subject to certain conditions, depending on the status of the investor and percentage of participation in the Real Estate Fund income derived from the Real Estate Fund may be subject to taxation in the hands of the unitholder or the shareholder regardless of distribution.

Any capital gains realised by a Noteholder who is an Italian pension fund subject to the regime provided for by Article 17 of Decree No. 252 will be included in the result of the relevant portfolio accrued at the end of the tax period, and will be subject to the Pension Fund Tax. Subject to certain limitations and conditions (including a minimum holding period requirement), capital gains realised in respect to the Notes may be excluded from the taxable base of the Pension Fund Tax if the Notes are included in a long-term individual savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Non-Italian resident Noteholders

The 26 per cent. *imposta sostitutiva* on capital gains may, in certain circumstances, be payable on any capital gains realised upon sale, transfer or redemption of the Notes by non-Italian resident individuals and corporations without a permanent establishment in Italy to which the Notes are effectively connected, if the Notes are held in Italy.

However, pursuant to Article 23 of Presidential Decree No. 917 of 22 December 1986, any capital gains realised by non-Italian residents without a permanent establishment in Italy to which the Notes are effectively connected through the sale for consideration or redemption of the Notes are exempt from taxation in Italy to the extent that the Notes are listed on a regulated market in Italy or abroad, and in certain cases subject to timely filing of required documentation (in the form of a declaration (*autocertificazione*) of non-residence in Italy) with Italian qualified intermediaries (or permanent establishments in Italy of foreign intermediaries) with which the Notes are deposited, even if the Notes are held in Italy and regardless of the provisions set forth by any applicable double tax treaty. The Italian tax authorities have clarified that the notion of multilateral trading facility ("**MTF**") under EU Directive 2014/65/CE (so called MiFID II) can be assimilated to that of "regulated market" for income tax purposes; conversely, organized trading facilities (OTF), not falling in the definition of MTF under MiFID II, cannot be assimilated to "regulated market" for Italian income tax purposes.

Where the Notes issued by an Italian resident Issuer are not listed on a regulated market in Italy or abroad:

(a) pursuant to the provisions of Decree No. 461 non-Italian resident beneficial owners with no permanent establishment in Italy to which the Notes are effectively connected are exempt from the *imposta sostitutiva* in the Republic of Italy on any capital gains realised upon sale for consideration or redemption of the Notes issued by an Italian resident issuer if the Noteholders are resident, for tax purposes in a state or territory included in the White List. Under these circumstances, if non Italian residents without a permanent establishment in Italy to which the Notes are effectively connected elect for the Asset Management Regime or are subject to the Administrative Savings Regime, exemption from Italian capital gains tax will apply upon condition that they file in time with the authorised financial intermediary an appropriate self-declaration (*autocertificazione*) stating that they meet the requirement indicated above. The same exemption applies where the beneficial owners of Notes (institutional investors that do not possess the status of taxpayer are deemed to be beneficial owners by operation of law) issued by an Italian resident Issuer are (i) international entities or organisations established in accordance with international agreements ratified by Italy; (ii) foreign institutional investors established in countries included in the White List, even if they do not possess the status of taxpayer therein; or (iii) Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State; and

(b) in any event, non-Italian resident individuals or entities without a permanent establishment in Italy to which the Notes issued by an Italian resident Issuer are effectively connected that may benefit from a double taxation treaty with Italy, providing that capital gains realised upon sale or redemption of Notes issued by an Italian resident issuer are to be taxed only in the country of tax residence of the recipient, will not be subject to *imposta sostitutiva* in Italy on any capital gains realised upon sale for consideration or redemption of Notes, provided that all conditions for its application are met.

Under these circumstances, if non-Italian residents without a permanent establishment in Italy to which the Notes issued by an Italian resident issuer are effectively connected elect for the Asset Management Regime or are subject to the Administrative Savings Regime, exemption from Italian capital gains tax will apply upon condition that they promptly file with the Italian authorised financial intermediary a self-declaration attesting that all the requirements for the application of the relevant double taxation treaty are met.

Capital gains realised by non-Italian resident Noteholders from the sale or redemption of Notes issued by non-Italian resident issuers are not subject to Italian taxation, provided that the Notes are held outside Italy.

However, the same exemptions illustrated above apply to the benefit of non-Italian residents if capital gains on the Notes might become taxable due to the holding of the Notes in Italy.

Inheritance and gift tax

Pursuant to Law Decree No. 262 of 3 October 2006, converted with amendments by Law No. 286 of 24 November 2006 effective from 29 November 2006, and Law No. 296 of 27 December 2006, the transfers of any valuable assets (including the Notes) as a result of death or donation (or other transfers for no consideration) and the creation of liens (costituzione di patrimoni separati) on such assets for a specific purpose are taxed as follows:

(a) 4 per cent. if the transfer is made to spouses and direct descendants or ancestors; in this case, the transfer is subject to tax on the value exceeding €1,000,000 (per beneficiary);

(b) 6 per cent. if the transfer is made to siblings; in this case, the transfer is subject to the tax on the value exceeding €100,000 (per beneficiary);

(c) 6 per cent. if the transfer is made to relatives up to the fourth degree, to persons related by direct affinity as well as to persons related by collateral affinity up to the third degree; and

(d) 8 per cent. in all other cases.

If the transfer is made in favour of persons with severe disabilities, the tax applies on the value exceeding €1,500,000.

The transfer of financial instruments (including the Notes) as a result of death is exempt from inheritance tax when such financial instruments are included in an individual long-term savings account (*piano individuale di risparmio a lungo termine*), that meets the requirements set forth by Italian law as amended and supplemented from time to time.

Transfer tax

Contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarised deeds (atti pubblici e scritture private autenticate) are subject to fixed registration tax at rate of €200; (ii) private deeds (scritture private non autenticate) are subject to registration tax only upon the occurrence of a case of use (*caso d'uso*), explicit reference (*enunciazione)* or of voluntary registration.

Tax monitoring obligations

According to Law Decree No. 167 of 28 June 1990, converted into law by Law Decree No. 227 of 4 August 1990, as amended from time to time, Italian resident individuals, non-commercial entities, non-commercial partnerships and similar institutions are required to report for tax monitoring purposes in their yearly income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return):

(a) the amount of Notes issued by Intesa Sanpaolo held abroad during each tax year; and

(b) the amount of Notes, issued by INSPIRE or by Intesa Luxembourg, held abroad during each tax year.

The requirement applies also where the persons above, being not the direct holder of the financial instruments, are the actual owner of the instrument.

Furthermore, it is not necessary to comply with the above reporting requirement with respect to: (i) the Notes deposited for management with qualified Italian financial intermediaries; (ii) the contracts entered into through their intervention, upon condition that the items of income derived from the Notes have been subject to tax by the same intermediaries; or (iii) if the foreign investments are only composed of deposits and/or bank accounts and their aggregate value does not exceed a €15,000 threshold throughout the year.

Stamp duty

Pursuant to Article 13 par. 2/ter of the tariff Part I attached to Presidential Decree No. 642 of 26 October 1972 ("**Decree 642**"), a proportional stamp duty applies on an annual basis to any periodic reporting communications which may be sent by a financial intermediary to its clients in respect of any financial product and instrument (including the Notes), which may be deposited with such financial intermediary in Italy. The stamp duty applies at a rate of 0.2 per cent. and it cannot exceed €14,000 for taxpayers which are not individuals. This stamp duty is determined on the basis of the market value or, if no market value is available, on the basis of face value or redemption value, or in the case the face or redemption values cannot be determined, on the basis of purchase value of the financial assets (including banking bonds, *obbligazioni* and capital adequacy financial instruments) held.

The statement is deemed to be sent at least once a year, including with respect to the instruments for which is not mandatory nor the deposit nor the release nor the drafting of the statement. In case of reporting periods of less than 12 months, the stamp duty is payable based on the period accounted.

Pursuant to the law and the implementing decree issued by the Italian Ministry of Economy on 24 May 2012, the stamp duty applies to any investor who is a client (as defined in the regulations issued by the Bank of Italy on 29 July 2009, as subsequently amended, supplemented and restated) of an entity that exercises a banking, financial or insurance activity in any form within the Italian territory.

Wealth tax on financial assets deposited abroad

According to Article 19 of Decree No. 201 of 6 December 2011, Italian resident individuals and, starting from fiscal year 2020, non-commercial entities, non-commercial partnerships and similar institutions holding financial assets – including the Notes – outside of the Italian territory are required to declare in its own annual tax declaration and pay a wealth tax at the rate of 0.2 per cent ("**IVAFE**"). IVAFE cannot exceed €14,000 for taxpayers which are not individuals. This tax is calculated on the market value at the

end of the relevant year (or at the end of the holding period) or, if no market value figure is available, on the nominal value or redemption value, or in the case the face or redemption values cannot be determined, on the purchase value of any financial asset (including the Notes) held abroad. A tax credit is granted for any foreign property tax levied abroad on such financial assets (up to the amount of IVAFE due). The financial assets held abroad are excluded from the scope of IVAFE, if such financial assets are administered by Italian financial intermediaries pursuant to an administration agreement and the items of income derived from the Notes have been subject to tax by the same intermediaries. In this case, the above mentioned stamp duty provided for by Article 13 of the Tariff attached to Decree 642 does apply.

AUSTRALIAN TAXATION

The following taxation summary is of a general nature only and addresses only some of the key Australian tax implications that may arise for a prospective holder of a Note or an interest in a Note (in the following taxation summary, an "**Investor**") as a result of acquiring, holding or transferring the Note. The following is not intended to be, and should not be taken as, a comprehensive taxation summary for an Investor. Each reference in the following taxation summary to a "Note" includes a reference to an "interest in a Note" as the context requires.

The taxation summary is based on the Australian taxation laws in force and the administrative practices of the Australian Taxation Office ("**ATO**") generally accepted as of the date of this Base Prospectus. Any of these may change in the future without notice and legislation introduced to give effect to announcements may contain provisions that are currently not contemplated and may have retroactive effect.

Investors should consult their professional advisers in relation to their tax position. Investors who may be liable to taxation in jurisdictions other than Australia in respect of their acquisition, holding or disposal of Notes are particularly advised to consult their professional advisers as to whether they are so liable (and, if so, under the laws of which jurisdictions), since the following comments relate only to certain Australian taxation aspects of the Notes. In particular, Investors should be aware that they may be liable to taxation under the laws of other jurisdictions in relation to payments in respect of the Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of Australia.

Taxation of interest on Notes

Australian Investors

Investors who are Australian tax residents, or who are non-residents that hold the Notes in carrying on business at or through a permanent establishment in Australia, will be taxable by assessment in respect of any interest income derived in respect of the Notes. Such Investors will generally be required to lodge an Australian tax return. The timing of assessment of the interest (e.g. a cash receipts or accruals basis) will depend upon the tax status of the particular Investors, the Terms and Conditions applicable to the Notes, and the potential application of the "Taxation of Financial Arrangements" provisions of the *Income Tax Assessment Act 1997* (Australia).

If an Investor is an Australian resident (other than one that holds the Notes in carrying on business at or through a permanent establishment outside Australia) or a non-resident that holds the Notes in carrying on business at or through a permanent establishment in Australia, no Australian interest withholding tax will be payable.

Tax at the highest marginal income tax rate plus the Medicare levy (in aggregate, currently 47%) may be deducted from payments to an Investor if the Investor does not provide an Australian tax file number or an Australian Business Number (the "**ABN**") (where applicable), or proof of a relevant exemption from quoting such numbers.

Section 126 of the *Income Tax Assessment Act 1936* (Australia) imposes a type of withholding tax at the current rate of 45% on the payment of interest on Bearer Notes if the Issuer fails to disclose the names and addresses of the relevant holders to the ATO (or in the case of a Bearer Note held by a clearing house, the name and address of the clearing house). These rules generally only apply to holders who are Australian tax residents or non-residents that hold the Notes in carrying on business at or through a permanent establishment in Australia.

Offshore Investors

The Australian tax treatment of bail-in-able notes issued by Australian branches of foreign banks has come under review. Please refer to the section below entitled '*Tax treatment of bail-in-able notes'*. The following commentary assumes that the treatment as outlined in that section will not apply.

So long as the Issuer continues to be a non-resident of Australia, where the Notes issued by it are not attributable to an Australian permanent establishment of the Issuer, payments of principal and interest made in respect of the Notes should not be subject to Australian interest withholding tax. However, interest (which for the purposes of withholding tax is defined in section 128A(1AB) of the *Income Tax Assessment Act 1936* (Australia) to include amounts in the nature of, or in substitution for, interest and certain other amounts, including premiums on redemption or, for a Note issued at a discount, the difference between the amount repaid and the issue price) on Notes issued by the Issuer out of its Australian branch will be subject to Australian interest withholding tax, at a current rate of 10%, where the interest is paid to a non-resident Investor and not derived in carrying on business at or through an Australian permanent establishment, or to an Australian resident Investor who derived the interest in carrying on business at or through a permanent establishment outside Australia (subject to certain exemptions– see below).

Various exemptions are available from Australian interest withholding tax, including the "public offer" exemption, the tax treaty exemption and the superannuation fund exemption (each discussed below).

Public Offer Exemption

Pursuant to section 128F of the *Income Tax Assessment Act 1936* (Australia), an exemption from Australian interest withholding tax relevantly applies to interest paid where:

- at the time the relevant Notes are issued and the interest is paid, the issuer is a company that is a non-resident carrying on business at or through an Australian permanent establishment; and
- the relevant Notes were issued in a manner which satisfies the "public offer test".

There are five principal methods of satisfying the public offer test, the purpose of which is to ensure that lenders in capital markets are aware that the Issuer is offering those Notes for issue. In summary, the five methods are:

- offers to 10 or more unrelated financiers or securities dealers;
- offers to 100 or more investors;
- offers of listed Notes;
- offers via publicly available information sources; and
- offers to a dealer, manager or underwriter who offers to sell those Notes within 30 days by one of the preceding methods.

Unless otherwise specified, the Issuer intends to issue Notes out of its Australian branch in a manner which will satisfy the requirements of section 128F of the *Income Tax Assessment Act 1936* (Australia).

Importantly, the public offer test will not be satisfied if, at the time of issue, the Issuer knew or had reasonable grounds to suspect that a Note, or an interest in a Note, was being or would later be acquired directly or indirectly by an Offshore Associate of the Issuer, other than in the capacity of a dealer, manager or underwriter in relation to the placement of the relevant Notes, or a clearing house, custodian, funds manager or responsible entity of a registered scheme.

The exemption from Australian interest withholding tax will also not apply to interest paid by the Issuer to an Offshore Associate of the Issuer if, at the time of the payment, the Issuer knows, or has reasonable grounds to suspect, that such person is an Offshore Associate and the Offshore Associate does not receive the payment in the capacity of a clearing house, paying agent, custodian, funds manager or responsible entity of a registered scheme.

An "**Offshore Associate**" means an "associate" (as defined in section 128F(9) of the *Income Tax Assessment Act 1936* (Australia), and which includes, amongst other things, persons under common control or influence) of the Issuer that is either:

- a non-resident of Australia that does not acquire the Notes or an interest in the Notes in carrying on a business in Australia at or through a permanent establishment of the associate in Australia; or

- a resident of Australia that acquires the Notes or an interest in the Notes in carrying on a business in a country outside Australia at or through a permanent establishment of the associate in that country.

Accordingly, **the Notes should not be acquired by any Offshore Associate of the Issuer except in the circumstances listed above.**

Double Tax Treaties

The Australian government has signed a number of double tax treaties ("**Specified Treaties"**) with certain countries including the United States of America, the United Kingdom, Switzerland, Germany, Norway, Finland, the Republic of France, Japan, the Republic of South Africa and New Zealand (each a **Specified Country**). The Specified Treaties may apply to interest derived by a resident of a Specified Country in relation to a Note.

The Specified Treaties effectively prevent withholding tax applying to interest derived by:

(a) the government of the relevant Specified Country and certain governmental authorities and agencies in the Specified Country; and

(b) certain unrelated banks, and financial institutions which substantially derive their profits by carrying on a business of raising and providing finance, which are resident in the Specified Country and dealing wholly independently with the Issuer (however, back-to-back loans and economically equivalent arrangements will not obtain the benefit of the reduction in interest withholding tax and the anti-avoidance provisions in the *Income Tax Assessment Act 1936* (Australia) can apply),

by reducing the interest withholding tax rate to zero. Particular tax treaties may have additional requirements. In addition, the availability of relief under Australia's tax treaties may be limited by Australia's adoption of the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting in circumstances where the Investor has insufficient connection with the relevant jurisdiction. Investors should obtain their own independent tax advice as to whether any of the exemptions under the relevant Specified Treaties apply to their particular circumstances.

All Specified Treaties listed above are currently in effect.

Exemption for superannuation funds

An exemption is available in respect of interest paid to a non-resident superannuation fund where that fund is a superannuation fund maintained solely for foreign residents and the interest arising from the Notes is exempt from income tax in the country in which such superannuation fund is resident. However, this exemption may not apply if the fund has either (i) an ownership interest (direct and indirect) of 10% of more in the Issuer, or (ii) influence over the Issuer's key decision making.

Taxation of gains on disposal or redemption

Australian Investors

Investors who are Australian tax residents, or who are non-residents that hold the Notes in carrying on business at or through a permanent establishment in Australia, will be required to include any gain or loss on disposal or redemption of the Notes in their assessable income and may be able to deduct any loss on disposal or redemption of the Notes depending on their personal circumstances.

The determination of the amount and timing of any gain or loss on disposition or redemption of the Notes may be affected by the "Taxation of Financial Arrangements" provisions of the *Income Tax Assessment Act*

1997 (Australia), which provide for a specialised regime for the taxation of financial instruments, and, where the Notes are denominated in a currency other than Australian Dollars, the foreign currency rules. Prospective Investors should obtain their own independent tax advice in relation to the determination of any gain or loss on disposal or redemption of the Notes.

Offshore Investors

An Investor who is a non-resident of Australia and who has never held the Notes in carrying on a business at or through a permanent establishment within Australia will not be subject to Australian income tax on gains realised on the disposal or redemption of such Notes provided such gains do not have an Australian source. A gain arising on the sale of a Note by a non-Australian resident holder to another non-Australian resident where the Note is sold outside Australia and all negotiations are conducted and all documentation is executed outside Australia should generally not be regarded as having an Australian source. In certain cases, an Investor who is a non-resident of Australia may be able to claim an exemption from Australian income tax on Australian-sourced gains pursuant to the terms of an applicable double tax treaty.

Special rules can apply to treat a portion of the purchase price of Notes as interest for withholding tax purposes where deferred-return Notes (for example, Notes which pay a return that is deferred by more than 12 months) are sold to an Australian Investor. Any deemed interest under these rules is able to qualify for an exemption from Australian interest withholding tax as described above.

Tax treatment of bail-in-able notes

The Australian tax treatment of bail-in-able notes issued by Australian branches of foreign banks has come under review. The ATO has recently issued industry guidance indicating that its view is that such notes are not able to satisfy the requirements to be characterised as debt for Australian tax purposes. Notwithstanding this view, the ATO has indicated that it is currently consulting with the government to obtain clarification on the intended policy outcome, with the aim of the government introducing a legislative clarification, preserving the debt treatment of such notes. The ATO is not intending to apply compliance resources to disturb the debt treatment of such notes under *Income Tax Assessment Act 1997* (Australia) until policy clarification has been obtained. If the Notes issued by the Issuer acting through its Sydney Branch are classified as equity instead of debt, the interest on such Notes will be non-deductible to the Australian branch for Australian tax purposes. In addition, for any such Notes issued to or held by foreign investors, those investors would lose the benefit of any exemption from Australian taxes and may be required to file and pay Australian taxes on interest received on the Notes. Notes issued into the Australian market that are attributable to an offshore branch should not be affected.

Collection powers

The ATO and other revenue authorities in Australia have wide powers for the collection of unpaid tax debts. The Commissioner of Taxation of Australia may issue a notice requiring any person who owes, or who may later owe, money to a taxpayer who has a tax-related liability, to pay to him the money owed to the taxpayer. If the Issuer is served with such a notice in respect of an Investor, then the Issuer would be required to comply with that notice.

Stamp duty

No ad valorem stamp, issue, registration or similar taxes are payable in Australia on the issue, transfer or redemption of the Notes.

Death duties

The Notes will not be subject to death, estate or succession duties imposed by Australia or by any political subdivision or authority therein having power to tax if held at the time of death.

Goods and Services Tax

Neither the issue nor receipt of the Notes will give rise to a liability for GST in Australia on the basis that the supply of Notes will comprise either an input taxed financial supply or (in the case of an offshore non-resident subscriber) a GST-free supply. Furthermore, neither the payment of principal or interest on the Notes would give rise to a GST liability.

IRELAND TAXATION

The following summary of the anticipated tax treatment in Ireland in relation to the payments on the Notes is based on the taxation law and practice in force at the date of this document. It does not purport to be, and is not, a complete description of all of the tax considerations that may be relevant to a decision to subscribe for, buy, hold, sell, redeem or dispose of the Notes. The summary relates only to the position of persons who are the absolute beneficial owners of the Notes and the interest on them. Prospective investors should consult their own professional advisers on the implications of subscribing for, buying, holding, selling, redeeming or disposing of Notes and the receipt of interest and distributions (whether or not on a winding-up) with respect to such Notes under the laws of the jurisdictions in which they may be liable to taxation. Prospective investors should be aware that the anticipated tax treatment in Ireland summarised below may change.

Irish Withholding Tax on the Notes

In general, withholding tax at the rate of 20 per cent. must be deducted from Irish source yearly interest payments made by a company. However no withholding for or on account of Irish income tax is required to be made from interest payments in respect of the Notes in a number of circumstances.

Notes issued by Intesa Sanpaolo or Intesa Luxembourg, as the case may be

Payments of interest in respect of Notes issued by Intesa Sanpaolo, or Intesa Luxembourg, as the case may be, will be made without deduction of withholding tax in circumstances where Intesa Sanpaolo, or Intesa Luxembourg, as the case may be, does not, in issuing the Notes or making the relevant payments:

(a) operate out of Ireland; or

(b) make the payments through a paying agent located in Ireland.

Notes issued by INSPIRE having a maturity less than one year

Payments of interest in respect of Notes issued may be made without deduction or withholding of tax where the maturity of the Notes is less than one year.

Notes issued by INSPIRE having a maturity over one year

Banking exemption

The obligation to withhold tax does not apply to interest payments made by a bank such as INSPIRE in the ordinary course of a bona fide banking business in Ireland.

Quoted Eurobond exemption

Section 64 ("**Section 64**") of the Taxes Consolidation Act 1997, as amended (the "**Taxes Act**") provides for the payment of interest on a "quoted Eurobond" without a deduction of tax in certain circumstances. A quoted Eurobond is defined in Section 64 as a security which:

(a) is issued by a company;

(b) is quoted on a recognised stock exchange (this term is not defined but is understood to mean an exchange which is recognised in the country in which it is established); and

(c) carries a right to interest.

There is no obligation to withhold tax on quoted Eurobonds where:

(a) the person by or through whom the payment is made is not in Ireland, or

(b) the payment is made by or through a person in Ireland, and

  (i) the quoted Eurobond is held in a recognised clearing system within the meaning of section 246A of the Taxes Act (a "**Recognised Clearing System**") (Euroclear, Clearstream,

Luxembourg and Monte Titoli S.p.A. have been designated as Recognised Clearing Systems); or

(ii) the person who is the beneficial owner of the quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made an appropriate written declaration in the prescribed format to this effect.

The Revenue Commissioners of Ireland (the "**Revenue Commissioners**") have confirmed that definitive bearer Notes issued in exchange for interests in global Notes held within a Recognised Clearing System will continue to be regarded as held within a Recognised Clearing System for the purposes of sub-paragraph (b)(i) above.

Section 246(3)(h) of the Taxes Act

The obligation to withhold tax does not apply in respect of, *inter alia*, interest payments made by a company such as INSPIRE in the ordinary course of a trade or business carried on by it to a company resident in a relevant territory under the laws of that relevant territory *provided that* either:

(a) that relevant territory imposes a tax that generally applies to interest receivable in that relevant territory by companies from sources outside that relevant territory; or

(b) the company is exempted from the charge to Irish income tax under a double tax treaty in effect with Ireland or would be so exempted if a double tax treaty signed by Ireland was in effect.

The interest must not relate to an Irish branch or agency of the recipient. A relevant territory for this purpose is a Member State of the European Union, other than Ireland, or not being such a Member State, a territory which has signed a double tax treaty with Ireland. The jurisdictions with which Ireland has signed a double tax treaty are as follows: Albania, Armenia, Australia, Austria, Bahrain, Belarus, Belgium, Bosnia and Herzegovina, Botswana, Bulgaria, Canada, Chile, China, Croatia, Cyprus, the Czech Republic, Denmark, Egypt, Estonia, Ethiopia, Finland, France, Georgia, Germany, Ghana (not yet in effect), Greece, Hong Kong, Hungary, Iceland, India, Israel, Italy, Japan, Kazakhstan, Kenya (not yet in effect), Republic of Korea, Kosovo, Kuwait, Latvia, Lithuania, Luxembourg, Macedonia, Malaysia, Malta, Mexico, Moldova, Montenegro, Morocco, the Netherlands, New Zealand, Norway, Pakistan, Panama, Poland, Portugal, Qatar, Romania, Russia, Saudi Arabia, Serbia, Singapore, the Slovak Republic, Slovenia, South Africa, Spain, Sweden, Switzerland, Thailand, Turkey, Ukraine, the United Arab Emirates, the United Kingdom, the United States of America, Uzbekistan, Vietnam and Zambia.

Negotiations have concluded for new treaties with Oman and Uruguay.

Applicable Double Tax Treaty

A requirement to operate Irish withholding tax on interest may be obviated or reduced pursuant to the terms of an applicable double tax treaty (see above) in effect.

Discounts

The Revenue Commissioners have confirmed that discounts arising on Notes will not be subject to Irish withholding tax.

Dividend Withholding Tax

In the case of the Notes, where the consideration given by INSPIRE for the use of the principal secured is dependent on the results of its business, interest payments made will be deemed to be a distribution as prescribed by Section 130 of the Taxes Act. Accordingly, dividend withholding tax may apply.

Section 172D of the Taxes Act

This section provides that the Irish law provisions whereby an Irish resident company must withhold tax (currently 25 per cent.) when it makes a relevant distribution shall not apply in certain circumstances. Provided the requisite declarations in the prescribed format, are in place, the following are included in the categories of shareholders exempted from the scope of dividend withholding tax:

(a) a person who is neither resident nor ordinarily resident in Ireland and is a resident of a country which Ireland has signed a double tax treaty with (a "**tax treaty country**") or is a resident of an EU Member State (other than Ireland);

(b) companies which are ultimately controlled by persons who are resident in another EU Member State or tax treaty country;

(c) companies not resident in Ireland which are themselves resident in an EU Member State or tax treaty country and are not under the control, whether directly or indirectly, of Irish residents; and

(d) a company, the principal class of whose shares are substantially and regularly traded on a stock exchange, in a tax treaty country or an EU Member State or on such other stock exchange as may be approved of by the Minister for Finance.

Deposit Interest Retention Tax ("DIRT")

No DIRT will be deductible in respect of Notes which are issued by Intesa Sanpaolo or Intesa Luxembourg *provided that*:

(a) Intesa Sanpaolo or, as the case may be, Intesa Luxembourg is not resident in Ireland for corporation tax purposes; and

(b) the relevant Notes are recorded in the books of Intesa Sanpaolo or, as the case may be, Intesa Luxembourg other than as a liability of a branch of Intesa Sanpaolo or, as the case may be, Intesa Luxembourg situate in Ireland.

A relevant deposit taker (as defined by Section 256 of the Taxes Act) such as INSPIRE is obliged to withhold tax (at a rate of 33 per cent.) from certain interest payments or other returns. However there are certain exceptions to this as set out below.

Insofar as the Notes constitute a debt on a security issued by INSPIRE and are listed on a stock exchange, DIRT shall not apply.

Pursuant to section 246A of the Taxes Act, in respect of any Note that is not listed on any stock exchange and matures within two years or that is a certificate of deposit, DIRT will not apply where the Note is of the requisite denomination outlined in this Document and is held in a Recognised Clearing System. If the Note is not held in a Recognised Clearing System but is of the requisite minimum denomination outlined in this Document then *provided that*:

(a) either:

(i) the person by whom the payment is made; or

(ii) the person through whom the payment is made,

is resident in Ireland or the payment is made by or through an Irish branch or agency through which a company that is not resident in Ireland carries on a trade or business; and

(b)

(i) the person who is beneficially entitled to the interest is a resident of Ireland who has provided their tax reference number to the payer; or

(ii) the person who is the beneficial owner of the Note and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration in the prescribed form,

then DIRT will not apply to the interest or returns thereon.

The Revenue Commissioners agree that DIRT which would otherwise be applicable will not apply to interest or other returns paid in respect of unlisted notes (such as the Notes issued by INSPIRE) that do not mature within two years, subject to certain specified conditions which are set out in the selling restrictions or below. These conditions require that:

(a) as far as primary sales of any Notes issued by INSPIRE are concerned, the dealers as a matter of contract undertake to the relevant Issuer that their action in any jurisdiction will comply with then applicable laws and regulations and that the dealers will also undertake as a matter of contract to the relevant Issuer that they will not knowingly make primary sales (or knowingly offer to do so, or distribute any material in that connection in Ireland) to any Irish residents or persons;

(b) the Notes are cleared through a Recognised Clearing System (save that such Notes represented by definitive bearer Notes may be taken out of the Recognised Clearing System and cleared outside that system, it being acknowledged that definitive bearer Notes may be issued in exchange for interests in a Global Note held in Euroclear or Clearstream, Luxembourg (in accordance with the terms of the Global Note) and, in the case of Sterling, denomination Global Notes, on demand by the holder for as long as this is a requirement);

(c) the minimum denomination in which the Notes issue is made will be €500,000 or its equivalent.

In addition, DIRT will not apply to interest or other returns on Notes in certain situations including where the person that is beneficially entitled to the interest or returns thereon is not resident in Ireland and an appropriate declaration as referred to in section 256 of the Taxes Act is made.

Encashment tax

Interest on any Note issued:

(a) by Intesa Sanpaolo or Intesa Luxembourg, as the case may be, paid by a paying agent in Ireland; or

(b) by Intesa Sanpaolo or Intesa Luxembourg, as the case may be, paid to an agent in Ireland on behalf of a holder of the relevant Note; or

(c) by INSPIRE that is a quoted Eurobond and is either held in a Recognised Clearing System (see above) or where that payment of interest was not paid by or entrusted to any person in Ireland and, in each case, was paid to an agent in Ireland acting on behalf of a holder of the relevant Note,

will generally be subject to an encashment tax at a prescribed rate of 25 per cent. This is unless it is proved, on a claim made in the required manner to the Revenue Commissioners, that the beneficial owner of the relevant Note that is entitled to the interest is not resident in Ireland and such interest is not deemed, under the provisions of Irish tax legislation, to be the income of another person resident in Ireland. Separately, an exemption will apply where the payment is made to a company where that company is beneficially entitled to that income and is or will be within the charge to corporation tax in respect of that income.

Liability of Noteholders to Irish tax

In general, persons who are resident and domiciled in Ireland are liable to Irish taxation on their world-wide income whereas persons who are not resident or ordinarily resident in Ireland are only liable to Irish taxation on their Irish source income. All persons are under a statutory obligation to account for Irish tax on a self-assessment basis and there is no requirement for the Revenue Commissioners to issue or raise an assessment.

Interest earned or discount realised on Notes issued by INSPIRE would be regarded as Irish source income. Accordingly, pursuant to general Irish tax rules, such income or discount, as the case may be, would be technically liable to Irish income tax (and the universal social charge if received by an individual). Credit is available for any Irish tax withheld from income on account of the related income tax liability. Non-Irish tax resident companies, where the income is not attributable to a branch or agency of the company in Ireland, are subject to income tax at the standard rate (currently 20 per cent.). Therefore any withholding tax suffered should be equal to and in satisfaction of the full liability. However, individuals are liable to tax at a higher rate of tax (40 per cent.) plus the universal social charge on taxable income exceeding a certain threshold, the level of which depends on their individual circumstances.

Section 198 of the Taxes Act

With regard to interest earned on the Notes, Section 198 of the Taxes Act provides an exemption from Irish income tax in each of the following circumstances:

(a) where:

(i) the interest is paid by a company in the ordinary course of its trade or business; and

(ii) the recipient of the interest is a company resident in an EU Member State (other than Ireland) or in a country which has signed a double tax treaty with Ireland *provided that* either:

(A) that relevant territory imposes a tax that generally applies to interest receivable in that relevant territory by companies from sources outside that relevant territory; or

(B) the company is exempted from the charge to Irish income tax under a double tax treaty in effect with Ireland or would be so exempted if a double tax treaty signed by Ireland was in effect; and

(b) where:

(i) the provisions of Section 64 of the Taxes Act (quoted Eurobond exemption as described above) apply; and

(ii) the recipient is either:

(A) a person who is resident in a member state of the European Union (other than Ireland) or in a country which has signed a double tax treaty with Ireland; or

(B) a company controlled, either directly or indirectly, by persons resident in a member state of the European Union (other than Ireland) or in a country which has signed a double tax treaty with Ireland and who are not under the control, whether directly or indirectly, of a person who is, or persons who are not so resident; or

(C) a company, the principal class of whose shares are substantially and regularly traded on a stock exchange, in a country which has signed a double tax treaty with Ireland or an EU Member State (other than Ireland) or on such other stock exchange as may be approved of by the Minister for Finance; and

(c) where:

(i) the provisions of section 246A of the Taxes Act apply; and

(ii) the recipient is either:

(A) a person who is resident in a member state of the European Union (other than Ireland) or in a country which has signed a double tax treaty with Ireland and who are not under the control, whether directly or indirectly, of a person who is, or persons who are not so resident; or

(B) a company controlled, either directly or indirectly, by persons resident in a member state of the European Union (other than Ireland) or in a country which has signed a double tax treaty with Ireland; or

(C) a company, the principal class of its shares are substantially and regularly traded on a stock exchange, in a country which has signed a double tax treaty with Ireland or an EU Member State (other than Ireland) or on such other stock exchange as may be approved of by the Minister for Finance.

In addition, with regard to discount arising on the Notes, section 198 of the Taxes Act provides an exemption from Irish income tax where the Notes are issued by a company in the ordinary course of its trade and the recipient of the discount is a person resident in an EU Member State (other than Ireland) or in a country which has signed a double tax treaty with Ireland.

For the purposes of paragraphs (a), (b) and (c) above, residence is determined under the terms of the relevant double taxation agreement, if such exists, or in any other case, the law of the country in which the recipient claims to be resident. Where the interest is paid to a foreign company carrying on a trade in Ireland through a branch or agency or a permanent establishment to which interest paid by INSPIRE is attributable, corporation tax is payable on the interest.

Applicable Double Tax Treaty

Many of Ireland's double tax treaties (see above) exempt interest from Irish tax when received by a resident of the other jurisdiction. Thus, a Noteholder may be entitled to exemption from Irish income tax on interest, and in some cases, discounts, under the terms of a double tax treaty in effect between Ireland and the jurisdiction in which the Noteholder is resident.

Section 153 of the Taxes Act

As mentioned above, in the case of the Notes, where the consideration given by INSPIRE for the use of the principal secured is dependent on the results of its business, interest payments made will be deemed to be a distribution as prescribed by Section 130 of the Taxes Act. However, Section 153 of the Taxes Act ("**Section 153**") provides exemption from income tax on distributions for certain non-residents. The exempted non-residents are:

(a) a person who is neither resident nor ordinarily resident in Ireland and is a resident of a tax treaty country or is a resident of an EU Member State (other than Ireland);

(b) a company which is not resident in Ireland and which is ultimately controlled by persons resident in another EU Member State or in a tax treaty country;

(c) a company which is not resident in Ireland and is, by virtue of the law of a tax treaty country or an EU Member State, resident for the purposes of tax in that tax treaty country or EU Member State, but is not under the control, whether directly or indirectly, of Irish residents;

(d) companies, the principal class of whose shares are substantially and regularly traded on a stock exchange, in a tax treaty country or an EU Member State or on such other stock exchange as may be approved of by the Minister for Finance;

(e) a parent company in another EU Member State in respect of distributions made to it by its Irish resident subsidiary company where withholding tax on such distributions is prohibited under the EU Parent-Subsidiaries Directive.

Section 153 also provides that, if dividend withholding tax (see above) has been applied, and the recipient is an individual then no further Irish tax liability should exist.

Other Circumstances

If, however, the payments are not exempt and there is no double tax treaty between Ireland and the jurisdiction in which the Noteholder is resident, there is no mechanism by which the Revenue Commissioners can collect residual income tax. Therefore, there is a long standing practice (as a consequence if the absence of a collection mechanism rather than adopted policy) whereby no action will be taken to pursue any liability to such residual Irish income tax in respect of persons who are not resident in Ireland except where such persons:

(a) are chargeable in the name of a person (including a trustee) or in the name of an agent or branch in Ireland having the management or control of the interest; or

(b) seek to claim relief and/or repayment of tax deducted at source in respect of taxed income from Irish sources; or

(c) are chargeable to Irish corporation tax on the income of an Irish branch or agency or to income tax on the profits of a trade carried on in Ireland to which the interest is attributable.

There can be no assurance that the Revenue Commissioners will apply this practice in the case of the holders of Notes, and, as mentioned above, there is a statutory obligation to account for Irish tax on a self-assessment basis and there is no requirement for the Revenue Commissioners to issue or raise an assessment.

Capital Gains Tax

Provided the Notes are listed on a Stock Exchange, or the Notes do not derive their value, or the greater part of their value from certain Irish land or mineral rights, then a Noteholder will not be subject to Irish tax on capital gains *provided that* such Noteholder is neither resident nor ordinarily resident in Ireland and such Noteholder does not have an enterprise, or an interest in an enterprise, which carries on business in Ireland through a branch or agency, or a permanent establishment, to which or to whom the Notes are attributable.

Capital Acquisitions Tax

If the Notes are comprised in a gift or inheritance taken from an Irish resident or ordinarily resident disponer or if the disponer's successor is resident or ordinarily resident in Ireland, or if any of the Notes are regarded as property situated in Ireland (that is, in the case of Bearer Notes, if the Notes are physically located in Ireland or, in the case of Registered Notes, if the register for the Notes is maintained in Ireland), the disponer's successor may be liable to Irish capital acquisitions tax. Accordingly, if such Notes are comprised in a gift or inheritance, the disponer's successor may be liable to Irish capital acquisitions tax, even though the disponer may not be domiciled in Ireland. For the purposes of capital acquisitions tax it is important to note that a non-domiciled person shall not be treated as resident or ordinarily resident in Ireland except where that person has been resident in Ireland for five consecutive years of assessment immediately preceding the year of assessment in which the date of the gift or inheritance falls.

Stamp Duty

No Irish stamp duty is payable on the issue of the Notes.

Transfer of Notes issued by Intesa Sanpaolo or Intesa Luxembourg

In the case of Notes issued by Intesa Sanpaolo or Intesa Luxembourg, no Irish stamp duty is chargeable *provided that* the instrument of transfer (if any):

(a) is not executed in Ireland; and

(b) does not relate (wherever executed) to any property situated in Ireland or to any matter or thing to be done in Ireland.

Transfer of Notes issued by INSPIRE

Irish stamp duty is not chargeable on the transfer by delivery of Notes issued by INSPIRE. In the event of written transfer of such Notes no stamp duty is chargeable *provided that* the Notes:

(a) do not carry a right of conversion into stocks or marketable securities (other than loan capital) of a company having a register in Ireland or into loan capital having such a right;

(b) do not carry rights of the same kind as shares in the capital of a company, including rights such as voting rights, a share in the profits or a share in the surplus upon liquidation;

(c) are issued for a price which is not less than 90 per cent. of their nominal value (thus certain Notes issued at a discount may not qualify for this exemption); and

(d) do not carry a right to a sum in respect of repayment or interest which is related to certain movements in an index or indices (based wholly or partly and directly or indirectly on stocks or marketable securities) specified in any instrument or other document relating to the Notes.

Where the above exemptions or another exemption does not apply, the instrument of transfer is liable to

stamp duty at the rate of one per cent. of the consideration paid in respect of the transfer (or if greater, the market value thereof) which must be paid in euro by the transferee (assuming an arm's-length transfer) within 30 days of the date on which the transfer instrument is executed, after which interest and penalties will apply.

Automatic Exchange of Information for Tax Purposes

Council Directive 2011/ 16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/ 107/EU) ("**DAC2**") provides for the implementation among EU Member States (and certain third countries that have entered into information exchange agreements) of the automatic exchange of information in respect of various categories of income and capital and broadly encompasses the regime known as the Common Reporting Standard ("**CRS**") published by the OECD as a new global standard for the automatic exchange of information between tax authorities in participating jurisdictions.

Separately, FATCA is designed to require certain US persons' direct and indirect ownership of certain non-US accounts and non-US entities to be reported by foreign financial institutions to foreign tax authorities who will then provide the information to the US tax authorities.

CRS is implemented in Ireland pursuant to the Returns of Certain Information by Reporting Financial Institutions Regulations 2015, S.l. 583 of 2015, made under Section 891F of the Taxes Act.

DAC2 is implemented in Ireland pursuant to the Mandatory Automatic Exchange of Information in the Field of Taxation Regulations of 2015, S.I. No. 609 of 2015 made under Section 891G of the Taxes Act.

FATCA is implemented in Ireland pursuant to the provisions of the Ireland and US Intergovernmental Agreement and the Financial Accounts Reporting (United States of America) Regulations of 2014, S.I. 292 of 2014, made under Section 891E of the Taxes Act.

Pursuant to these regulations, INSPIRE is required to obtain and report to the Revenue Commissioners annually certain financial account and other information for all new and existing accountholders (other than Irish accountholders) in respect of Notes issued by INSPIRE (and. in certain circumstances, their controlling persons). The returns are required to be submitted by 30 June annually thereafter. The information must include amongst other things, details of the name, address, taxpayer identification number ("TIN"), place of residence, details of controlling persons (in certain circumstances) and in the case of accountholders who are individuals, the date and place of birth, together with details relating to payments made to accountholders and their holdings. In the case of DAC2 and CRS, this information may be shared with tax authorities in other EU Member States (and in certain third countries subject to the terms of Information Exchange Agreements entered into with those countries) and jurisdictions which implement the CRS. In the case of FATCA, this information may be shared with the US tax authorities. If INSPIRE fails to satisfy its FATCA obligations it may, in certain circumstances, be treated as a nonparticipating financial institution by the US tax authorities and therefore subject to a 30% withholding tax on its US source income.

LUXEMBOURG TAXATION

The following is based on the laws presently in force in Luxembourg and is subject to any change that may come into effect after that date, though it is not intended to be, nor should it be construed to be, legal or tax advice. Prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. In addition, any reference to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (impôt sur le revenu des collectivités), municipal business tax (impôt commercial communal), a solidarity surcharge (contribution au fonds pour l'emploi) as well as personal income tax (impôt sur le revenu) generally. Investors may further be subject to net wealth tax (impôt sur la fortune) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably applies to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking,

municipal business tax may apply as well.

A holder of Notes may not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of the Notes, or the execution, performance, delivery and/or enforcement of the Notes.

Taxation of Intesa Luxembourg

Intesa Luxembourg is a fully taxable company and any profit realised by Intesa Luxembourg is subject to corporate income tax and municipal business tax in Luxembourg. Interest expenses accrued under the Notes issued by Intesa Luxembourg should be deductible from its taxable base, to the extent that the interest rate is arm's length and the interest are not linked to tax exempt income.

It should however be noted that under the ATAD I Law, the tax deduction of interest expenses accrued may be denied if (a) Intesa Luxembourg has exceeding borrowings costs (i.e. tax-deductible borrowing costs that are in excess of the taxable interest income and other economically equivalent taxable income of Intesa Luxembourg) and (b) such exceeding borrowing costs are higher than (i) 30% of Intesa Luxembourg's EBITDA and (ii) EUR 3 million.

Furthermore, the tax deductions of payments made by Intesa Luxembourg may also be denied if (a) such payments are not included in the taxable base of the ultimate recipient/beneficiary as a result of a hybrid mismatch and (b) (i) the ultimate recipient/beneficiary of the payment and Intesa Luxembourg are associated enterprises or (ii) the ultimate recipient/beneficiary and Intesa Luxembourg have concluded a structured arrangement which entails this hybrid mismatch. While this rule only targeted hybrid mismatches within the EU until 2019, it has been expanded to (a) non-EU hybrid mismatches and (b) more sophisticated hybrid mismatches as from fiscal year 2020, as a result of the transposition of the ATAD II.

Finally, according to the Luxembourg law dated 10 February 2021 and applicable since 1 March 2021, the tax deduction of interest due by Intesa Luxembourg may be denied if the following conditions are simultaneously met:

(a) The beneficiary of the interest is a collective entity, as defined by Article 159 of the Luxembourg income tax law ("**LITL**"). If the beneficiary of the interest is not the beneficial owner, the actual beneficial owner will have to be considered.

(b) The collective entity, which is the beneficial owner of the interest, is an affiliated enterprise of the Issuer, within the meaning of Article 56 LITL.

(c) The collective entity, which is the beneficial owner of the interest, is established in a country included in the EU list of non-cooperative countries and territories (the "**EU blacklist**"). Subject to subsequent updates, the EU blacklist currently includes the American Samoa, Anguilla, Antigua and Barbuda, Bahamas, Belize, Fiji, Guam, Palau, Panama, Russia, Samoa, Seychelles, Trinidad and Tobago, Turks and Caicos Islands, US Virgin Islands and Vanuatu.

Withholding Tax

Non-resident holders of Notes

Under Luxembourg general tax laws currently, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes, *provided that* the interest on the Notes does not depend on the profit of the Issuer.

Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the "**Relibi Law**") and mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes, *provided that* the interest on the Notes does not depend on the profit of the Issuer.

However, under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 20%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Relibi Law would be subject to a withholding tax of 20%.

Further, Luxembourg resident individuals acting in the course of the management of their private wealth, who are the beneficial owners of interest or similar income made or ascribed by a paying agent established outside Luxembourg in a Member State of the European Union or the European Economic Area may also opt for a final 20% levy, providing full discharge of Luxembourg income tax. In such case, the 20% levy is calculated on the same amounts as the 20% withholding tax for payments made by Luxembourg resident paying agents. The option for the 20% final levy must cover all interest payments made by the paying agents to the Luxembourg resident beneficial owner during the entire civil year. Responsibility for the declaration and the payment of the 20% final levy is assumed by the individual resident beneficial owner of the interest or similar income.

Income Taxation

Non-resident holders of Notes

A non-resident holder of Notes, who has neither a permanent establishment, a permanent representative nor a fixed place of business in Luxembourg to which/whom such Notes are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes. A gain realized by such non-resident holder of Notes on the sale or disposal, in any form whatsoever, of the Notes is further not subject to Luxembourg income tax.

A non-resident corporate holder of Notes or an individual holder of Notes acting in the course of the management of a professional or business undertaking, who has a permanent establishment, a permanent representative or fixed place of business in Luxembourg to which/whom such Notes are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes and on any gains realized upon the sale or disposal, in any form whatsoever, of the Notes.

Resident corporate holders of Notes

A corporate holder of Notes must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realized on the sale or disposal, in any form whatsoever, of the Notes, in its taxable income for Luxembourg income tax assessment purposes.

A corporate holder of Notes that is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment as amended, or by the law of 13 February 2007, on specialized investment funds, as amended, or by the law of 23 July 2016 on reserved alternative funds, as amended, is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realized on the sale or disposal, in any form whatsoever, of the Notes.

Resident individual holders of Notes

An individual holder of Notes, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax in respect of interest received, redemption premiums or issue discounts, under the Notes, except if (i) withholding tax has been levied on such payments in accordance with the Relibi Law, or (ii) the individual holder of the Notes has opted for the application of a 20% tax in full discharge of income tax in accordance with the Relibi Law.

A gain realized by an individual holder of Notes, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of Notes is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Notes were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income or assimilated thereto (*e.g.*, issue discount, redemption premium, *etc.*) is subject to Luxembourg income tax, except if tax has been levied on such interest in accordance with the Relibi Law.

An individual holder of Notes acting in the course of the management of a professional or business undertaking must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realized on the sale or disposal, in any form whatsoever, of the Notes in its taxable basis for income tax purposes.

Net Wealth Taxation

A corporate holder of Notes, whether it is resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment, a permanent representative or a fixed place of business in Luxembourg to which such Notes are attributable, is subject to Luxembourg wealth tax on such Notes, except if the holder of Notes is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 13 February 2007 on specialized investment funds, as amended, or by the law of 23 July 2016 on reserved alternative funds, as amended, or is a securitization company governed by the law of 22 March 2004 on securitization, as amended, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended.

However, please note that securitisation companies governed by the law of 22 March 2004 on securitization, as amended, or capital companies governed by the law of 15 June 2004 on venture capital vehicles, as amended, or reserved alternative investment funds governed by the law of 23 July 2016 and which fall under the special tax regime set out under article 48 thereof remain subject to minimum net wealth tax.

This minimum net wealth tax amounts to €4,815, if the relevant holder of Notes holds assets such as fixed financial assets, receivables owed to affiliated companies, transferable securities, postal checking accounts, checks and cash, in a proportion that exceeds 90% of its total balance sheet value and if the total balance sheet value of these very assets exceeds €350,000. Alternatively, if the relevant holder of Notes holds 90% or less of financial assets or if those financial assets do not exceed €350,000, a minimum net wealth tax varying between €535 and €32,100 would apply depending on the size of its balance sheet.

An individual holder of Notes, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Notes.

Other Taxes

Inheritance and Gift Tax

Under present Luxembourg tax law, in the case where a holder of Notes is a resident for tax purposes of Luxembourg at the time of his death, the Notes are included in his taxable estate, for inheritance tax purposes. In addition, gift tax may be due on a gift or donation of Notes, if the gift is recorded in a Luxembourg deed.

Registration Tax

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by the holders of Notes as a consequence of the issuance of the Notes, nor will any of these taxes be payable as a consequence of a subsequent transfer or redemption or repurchase of the Notes, except if the Notes are either (i) attached as an annex to an act (*annexés à un acte*) that itself is subject to mandatory registration or (ii) deposited in the minutes of a notary (*déposés au rang des minutes d'un notaire*). In such cases, as well as in case of a voluntary registration, the Notes will be subject to a fixed €12 duty payable by the party registering, or being ordered to register, the Notes.

Value Added Tax

There is no Luxembourg value added tax payable by a holder of Notes in respect of payments in consideration for the issue of the Notes or in respect of the payment of interest or principal under the Notes, or the transfer of the Notes. Luxembourg value added tax may, however, be payable in respect of fees invoiced for services rendered to Intesa Luxembourg, if, for Luxembourg value added tax purposes, such services are rendered, or are deemed to be rendered, in Luxembourg and an exemption from value added tax does not apply with respect to such services.

Residence

A holder of Notes will not become resident, or deemed to be resident, in Luxembourg by reason only of the holding of such Note or the execution, performance, delivery and/or enforcement of that or any other Note.

Common Reporting Standard

The Organisation for Economic Co-operation and Development has developed a new global standard for the annual automatic exchange of financial information between tax authorities (the "**CRS**"). The CRS has been implemented into Luxembourg domestic law via the law dated 18 December 2015 concerning the automatic exchange of information on financial accounts and tax matters and implementing the EU Directive 2014/107/EU. The regulation may impose obligations on Intesa Luxembourg and its holder of Notes, if Intesa Luxembourg is actually regarded as a reporting Financial Institution under the CRS, so that the latter could be required to conduct due diligence and obtain (among other things) confirmation of tax residency (through the issuance of self-certifications forms by the holder of Notes), the tax identification number and CRS classification of the holder of Notes in order to fulfil its own legal obligations.

Prospective investors should contact their own tax advisers regarding the application of CRS to their particular circumstances.

The proposed financial transactions tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (each, a "**participating Member State**"). However, Estonia has since stated that it will not participate and on 16 March 2016 it completed the formalities required to leave the enhanced co-operation on FTT.

The Commission's proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission's proposal, FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Transposition of the Anti-Tax Avoidance Directive in Luxembourg law

As part of its anti-tax avoidance package, the EU Commission published a draft Anti-Tax Avoidance Directive on 28 January 2016, which was formally adopted by the EC Council on 12 July 2016 in Council Directive (EU) 2016/1164 (the "**ATAD I**").

In this respect, the Luxembourg law dated 21 December 2018 (the "**ATAD I Law**") transposed the ATAD I into Luxembourg legislation. The ATAD I Law may have an impact on the tax position of Intesa Luxembourg (including on its performance). Amongst the measures contained in the ATAD I Law is an interest deductibility limitation rule. The ATAD I Law provides that "exceeding borrowing costs" in excess of the higher of (a) €3 million or (b) 30% of an entity's adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) will not be deductible in the year in which they are incurred but would remain available for carry forward. "Exceeding borrowing costs" is a defined term which relates to the amount by which the tax-deductible borrowing costs exceed "interest revenues and other equivalent taxable revenues from financial assets".

Furthermore, the Luxembourg law dated 20 December 2019 (the "**ATAD II Law**") transposed into Luxembourg legislation Council Directive (EU) 2017/952 of 29 May 2017 amending the ATAD I as regards hybrid mismatches with third countries (the "**ATAD II**"). The ATAD II extends the scope of the ATAD I which applied to situations of double deduction or deduction without inclusion resulting from the use of hybrid financial instruments or hybrid entities. The ATAD II requires EU Member States to either deny deduction of payments, expenses or losses or include payments as taxable income, in case of hybrid mismatches. It includes situations involving permanent establishments, reverse hybrids, imported mismatches, hybrid transfers and dual residence.

The ATAD II Law applies as of 1 January 2020, (provisions on reverse hybrid mismatches apply as of 1 January 2022). The exact impact of the above mentioned rules on Intesa Luxembourg would need to be monitored on a regular basis, notably in the light of any further guidance from the Luxembourg tax authorities.

FATCA

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting, or related requirements.

Intesa Luxembourg may be a foreign financial institution for these purposes. A number of jurisdictions (including the Grand Duchy of Luxembourg) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions.

Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining "foreign passthru payment" are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date. However, if additional Notes that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA.

Holder of Notes should consult their own tax advisers regarding how these rules may apply to their investment in the Notes. In the event that any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

TAXATION IN SINGAPORE

*The statements below are general in nature and are based on certain aspects of current tax laws in Singapore and administrative guidelines and circulars issued by the Inland Revenue Authority of Singapore ("**IRAS**") and the Monetary Authority of Singapore ("**MAS**") in force as at the date of this Base Prospectus and are subject to any changes in such laws, administrative guidelines or circulars, or the interpretation of those laws, administrative guidelines or circulars, occurring after such date, which changes could be made on a retroactive basis including amendments to the Income Tax (Qualifying Debt Securities) Regulations to include the conditions for the income tax and withholding tax exemptions under the qualifying debt securities ("**QDS**") scheme for early redemption fee (as defined in the ITA) and redemption premium (as such term has been amended by the ITA). These laws, guidelines and circulars are also subject to various interpretations and no assurance can be given that the relevant tax authorities or the courts will agree with the explanations or conclusions set out below. Neither these statements nor any other statements in this Base Prospectus are intended or are to be regarded as advice on the tax position of any holder of*

the Notes or of any person acquiring, selling or otherwise dealing with the Notes or on any tax implications arising from the acquisition, sale or other dealings in respect of the Notes. The statements made herein do not purport to be a comprehensive or exhaustive description of all the tax considerations that may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes (particularly structured Notes) and do not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or financial institutions in Singapore which have been granted the relevant financial sector incentive(s)) may be subject to special rules or tax rates. The statements should not be regarded as advice on the tax position of any person and should be treated with appropriate caution. The statements also do not consider any specific facts or circumstances that may apply to any particular purchaser. Noteholders and prospective Noteholders are advised to consult their own professional tax advisers as to the Singapore or other tax consequences of the acquisition, ownership of or disposal of the Notes, including, in particular, the effect of any foreign, state or local tax laws to which they are subject.

It is emphasised that none of the Issuer, the Guarantor, any Dealer or any other persons involved in the Programme accepts responsibility for any tax effects or liabilities resulting from the subscription for, purchase, holding or disposal of the Notes.

The descriptions below are not intended to apply to any Notes issued by, or issued for the purposes of funding, the Singapore Branch of any Issuer

Interest and Other Payments

If more than half of any tranche of Notes issued under the Programme on or after the date of this Base Prospectus but on or before 31 December 2028 are distributed by specified licensed person(s), that tranche of Notes ("**Relevant Notes**") would be "qualifying debt securities" for the purposes of the ITA and, subject to certain conditions having been fulfilled (including the furnishing of a return on debt securities to the MAS in respect of the Relevant Notes within such period as the MAS may specify and such other particulars in connection with the Relevant Notes as the MAS may require), interest, discount income (not including discount income arising from secondary trading), early redemption fee or redemption premium (collectively, "**Specified Income**") from the Relevant Notes derived by any company or body of persons (as defined in the ITA) in Singapore is subject to income tax at a concessionary rate of 10 per cent. (except for holders of the relevant financial sector incentive(s) who may be taxed at different rates).

Where interest, discount income, early redemption fee or redemption premium is derived from any of the Relevant Notes by any person who (i) is not resident in Singapore and (ii) carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the ITA shall not apply if such person acquires such Relevant Notes using the funds and profits of such person's operations through a permanent establishment in Singapore. Any person whose interest, discount income, early redemption fee or redemption premium derived from the Relevant Notes is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the ITA.

However, notwithstanding the foregoing:

(a) if during the primary launch of the Relevant Notes, the Relevant Notes are issued to fewer than four persons and 50 per cent. or more of the issue of such Relevant Notes is beneficially held or funded, directly or indirectly, by related parties of the relevant Issuer, such Relevant Notes would not qualify as "qualifying debt securities"; and

(b) even though the Relevant Notes are "qualifying debt securities", if, at any time during the tenure of such Relevant Notes, 50 per cent. or more of the issue of such Relevant Notes is held beneficially or funded, directly or indirectly, by any related party(ies) of the relevant Issuer, Specified Income derived from such Relevant Notes held by:

    (i) any related party of the relevant Issuer; or

    (ii) any other person where the funds used by such person to acquire such Relevant Notes are obtained, directly or indirectly, from any related party of the relevant Issuer,

    shall not be eligible for the concessionary rate of tax of 10 per cent. as described above.

For the purposes of the ITA and/or this Singapore tax disclosure:

(c) "**early redemption fee**" means, in relation to debt securities and qualifying debt securities, any fee payable by the issuer of the securities on the early redemption of the securities;

(d) "**redemption premium**" means, in relation to debt securities and qualifying debt securities, any premium payable by the issuer of the securities on the redemption of the securities upon their maturity or on the early redemption of the securities; and

(e) "**specified licensed persons**" means any of the following persons:

(i) a bank or merchant bank licensed under the Banking Act 1970 of Singapore;

(ii) a finance company licensed under the Finance Companies Act 1967 of Singapore;

(iii) a person who holds a capital markets services licence under the Securities and Futures Act 2001 of Singapore to carry on a business in any of the following regulated activities:

(A) advising on corporate finance; or

(B) dealing in capital markets products; or

(iv) such other person as may be prescribed by the rules made under Section 7 of the ITA.

The term "**related party**", in relation to a person ("**A**"), means any person (a) who directly or indirectly controls A, (b) who is being controlled directly or indirectly by A, or (c) who, together with A, is directly or indirectly under the control of a common person.

Capital Gains

Any gains considered to be in the nature of capital made from the sale of the Notes will generally not be taxable in Singapore. However, any gains derived by any person from the sale of the Notes which are gains from any trade, business, profession or vocation carried on by that person, if accruing in or derived from Singapore, may be taxable as such gains are considered revenue in nature. In addition, any foreign-sourced disposal gains received in Singapore from outside Singapore from the sale of the Notes that occurs on or after 1 January 2024 by an entity of a multinational group that does not have adequate economic substance in Singapore may be taxable as further described in Section 10L of the ITA.

Holders of the Notes who apply or are required to apply Singapore Financial Reporting Standard 39 ("**FRS 39**"), Financial Reporting Standard 109 - Financial Instruments ("**FRS 109**") or Singapore Financial Reporting Standard (International) 9 (Financial Instruments) ("**SFRS(I) 9**") (as the case may be) may, for Singapore income tax purposes, be required to recognise gains or losses (not being gains or losses in the nature of capital) on the Notes, irrespective of disposal, in accordance with FRS 39, FRS 109 or SFRS(I) 9 (as the case may be). Please see the section below on "Adoption of FRS 39, FRS 109 or SFRS(I) 9 Treatment for Singapore Income Tax Purposes".

Adoption of FRS 39, FRS 109 or SFRS(I) 9 Treatment for Singapore Income Tax Purposes

Section 34A of the ITA requires taxpayers who adopt or are required to adopt FRS 39 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 39, subject to certain exceptions provided in that section and certain "opt-out" provisions. The IRAS has also issued an e-Tax Guide entitled "Income Tax Implications Arising from the Adoption of FRS 39 – Financial Instruments: Recognition and Measurement" to provide guidance on the Singapore income tax treatment of financial instruments.

FRS 109 or SFRS(I) 9 (as the case may be) is mandatorily effective for annual periods beginning on or after 1 January 2018, replacing FRS 39. Section 34AA of the ITA requires taxpayers who adopt or who are required to adopt FRS 109 or SFRS(I) 9 for financial reporting purposes to calculate their profit, loss or expense for Singapore income tax purposes in respect of financial instruments in accordance with FRS 109 or SFRS(I) 9 (as the case may be), subject to certain exceptions provided in that section. The IRAS has also issued an e-Tax Guide entitled "Income Tax: Income Tax Treatment Arising from Adoption of FRS 109 – Financial Instruments".

Holders of the Notes who may be subject to the tax treatment under the FRS 39 tax regime, FRS 109 tax regime or the SFRS(I) 9 tax regime should consult their own accounting and tax advisers regarding the Singapore income tax consequences of their acquisition, holding or disposal of the Notes.

Estate Duty

Singapore estate duty has been abolished with respect to all deaths occurring on or after 15 February 2008.

The Proposed Financial Transactions Tax ("FTT")

On 14 February 2013, the European Commission published a proposal (the "**Commission's proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**").

The Commission's proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary' market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission's proposal, FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

Joint statements issued on 8 December 2015 by participating Member States, except Estonia, indicate an intention to implement the FTT by the end of June 2016. On 16 March 2016, Estonia completed the formalities required to leave the enhanced co-operation on FTT. On 17 June 2016, the Council of the European Union announced that the work on FTT will continue during the second half of 2016. The Council of the European Union discussed the state of the dossier in June 2017 and reiterated that further work at the Council and its preparatory bodies is still required, before a final agreement on this dossier can be reached.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

The Italian Financial Transaction Tax ("IFTT")

Transactions in Notes issued by the Issuer which qualify as banking bonds, *obbligazioni* and capital adequacy financial instruments are excluded from **IFTT**, pursuant to Law no. 228/2012 ("**Law 228**"), implemented by Ministry Decree 21 February 2013, as subsequently amended by Ministry Decree 16 September 2013. IFTT should not apply to Notes which qualify as atypical securities. However, an official position of the Italian Tax Authority in this regards is not available.

PRC REGULATIONS RELATING TO RENMINBI

Under PRC foreign exchange regulations, transactions involving cross-border transfer of money are divided into current account items and capital account items. Current account items refer to any transaction for international receipts and payments involving goods, services, earnings and other frequent transfers. Capital account items include cross-border transfers of capital, direct investments, securities investments, derivative products and loans. Capital account payments are generally subject to approval of, and/or registration or filing with, the relevant PRC authorities.

Previously, settlement of current account items and capital account items were required to be made in foreign currencies. Such settlement regime has experienced progressive reforms in recent years. As a result, as of 5 January 2018, PBoC published the *Circular on Further Improving the Policy of Renminbi Cross-border Business to Facilitate Trade and Investment (Yin Fa [2018] No.3)* to enable enterprises to pay and/or receive Renminbi for any cross-border transaction that can be settled in foreign currencies.

The relevant regulations are relatively new and will be subject to interpretation and application by the relevant PRC authorities. Further, if any new PRC regulations are promulgated in the future which have the effect of permitting or restricting (as the case may be) the remittance of Renminbi for payment of current account items or capital account items, then such remittances will need to be made subject to the specific requirements or restrictions set out in such rules.

SUBSCRIPTION AND SALE

The Dealers have in a dealer agreement (as amended, supplemented and/or restated, the "**Dealer Agreement**") dated 21 December 2023, agreed with Intesa Sanpaolo, INSPIRE and Intesa Luxembourg a basis upon which they or any of them may from time to time agree to subscribe or procure subscribers for Notes. Any such agreement will extend to those matters stated under "*Forms of the Notes*" and "*Terms and Conditions of the Notes*" above. In the Dealer Agreement, Intesa Sanpaolo, INSPIRE and Intesa Luxembourg have agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and update of the Programme and the issue of Notes under the Programme. In the Dealer Agreement it is stated that Intesa Sanpaolo may offer and sell the Notes to or through one or more underwriters, dealers and agents, including Intesa Sanpaolo, or directly to purchasers.

The relevant Dealers will be entitled in certain circumstances to be released and discharged from their obligations in respect of a proposed issue of Notes under or pursuant to the Dealer Agreement prior to the closing of the issue of such Notes, including in the event that certain conditions precedent are not delivered or met to their satisfaction on or before the issue date of such Notes. In this situation, the issuance of such Notes may not be completed. Investors will have no rights against the Issuer or the relevant Dealers in respect of any expense incurred or loss suffered in these circumstances.

United States

Neither the Notes nor the Guarantee thereof have been nor will they be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Dealer has agreed that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche within the United States or to, or for the account or benefit of, U.S. persons, and such Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

Prohibition of Sales to EEA Retail Investors

If the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes includes a legend entitled "Prohibition of Sales to EEA Retail Investors", each Dealer has represented, and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms (or are the subject of the offering contemplated by a Drawdown Prospectus) in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision the expression "**retail investor**" means a person who is one (or more) of the following:

(a) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**EU MiFID II**"); or

(b) a customer within the meaning Directive (EU) 2016/97 ("**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Public Offer Selling Restrictions Under the Prospectus Regulation

If the Final Terms (or Drawdown Prospectus as the case may be) in respect of any Notes does not include a legend entitled "Prohibition of Sales to EEA Retail Investors", in relation to each Member State of the European Economic Area, each Dealer has represented and agreed, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to the public in that Member State except that it may make an offer of such Notes in that Member State:

(a) ***Qualified investors****: at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;*

(b) ***Fewer than 150 offerees****: at any time to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or*

(c) ***Other exempt offers****: at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation.*

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Prohibition of Sales to UK Retail Investors

Unless the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes incudes the legend "Prohibition of Sales to UK Retail Investors" as "Not Applicable", each Dealer has represented and agreed, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to any retail investor in the United Kingdom. For the purposes of this provision:

(a) the expression **retail investor** means a person who is one (or more) of the following:

  (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or

  (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of UK domestic law by virtue of the EUWA.

If the Final Terms in respect of any Notes does not include the legend "Prohibition of Sales to UK Retail Investors", each Dealer has represented and agreed, that it has not made and will not make an offer of Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto, (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be), to the public in the United Kingdom except that it may make an offer of such Notes to the public in the United Kingdom:

(a) at any time to any legal entity which is a qualified investor as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA;

(b) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the

EUWA) in the United Kingdom subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) at any time in any other circumstances falling within section 86 of the FSMA,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Dealer to publish a base prospectus pursuant to section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of Regulation (EU) 2017/1129 as it forms part of UK domestic law by virtue of the EUWA.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

Selling Restrictions Addressing Additional United Kingdom Securities Laws

Each Dealer has represented and agreed that:

(a) **No deposit-taking:** in relation to any Notes issued by Intesa Luxembourg which have a maturity of less than one year:

(i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and:

(ii) it has not offered or sold and will not offer or sell any Notes other than to persons:

(A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or

(B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(b) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not, or, in the case of the Issuer or the Guarantor would not, if it was not an authorised person, apply to the Issuer or the Guarantor; and

(c) **General compliance**: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes issued by Intesa Sanpaolo, INSPIRE or Intesa Luxembourg in, from or otherwise involving the United Kingdom.

Republic of Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Base Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

(a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of the Prospectus Regulation and any applicable provision of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and/or Italian CONSOB regulations; or

(b) in any other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the Prospectus Regulation, and in accordance with any applicable Italian laws and regulations.

Any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other

document relating to the Notes in the Republic of Italy under paragraph (a) or (b) above must:

(a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018 and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**");

(b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including, the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

Ireland

Each Dealer has represented and agreed that:

(a) in connection with offers for sale of any Note issued by INSPIRE that is not listed on any stock exchange and that does not mature within two years, it will not:

(i) knowingly sell or offer for sale any Notes issued by INSPIRE to any person, including any body corporate, resident in Ireland or having its usual place of abode in Ireland (an "**Irish Person**");

(ii) knowingly issue or distribute, or knowingly cause to be issued or distributed, any documentation offering for subscription or sale any Notes issued by INSPIRE, to any Irish Person;

(iii) as far as primary sales of any Notes issued by INSPIRE are concerned, its actions in any jurisdiction will comply with the then applicable laws and regulations;

(iv) offer, sell or deliver any such Note to any person in a denomination of less than €500,000, or its equivalent in any other currency. In addition, such Notes must be cleared through a Recognised Clearing System;

(b) in connection with offers for sale of any Notes issued by INSPIRE that is not listed on any stock exchange that matures within two years, it will not offer, sell or deliver any such Note to any person in a denomination of less than €500,000 if the relevant Note is denominated in euro, US$500,000 if denominated in U.S. dollars, or if denominated in a currency other than euro or U.S. dollars, the equivalent of €500,000 at the date the Programme is first publicised. In addition, such Notes must be cleared through a Recognised Clearing System; and

(c) with respect to anything done by it in relation to the Notes or the Programme, it has complied and will comply with:

(i) all applicable provisions of the European Union (Markets in Financial Information) Regulations 2017 (the "**MiFID Regulations**"), if operating in or otherwise involving Ireland, and of Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 and Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast) (together, "**MiFID**");

(ii) if acting under the terms of an authorisation for the purposes of MiFID, the terms of that authorisation and any applicable codes of conduct or practice and any applicable requirements of the MiFID Regulations or as imposed, or deemed to have been imposed, by the Central Bank of Ireland pursuant to the MiFID Regulations or the Central Bank Acts 1942 to 2018;

(iii) if acting under the terms of an authorisation granted to it for the purposes of Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervisions of credit institutions and investment firms, the Central Bank Acts 1942 to 2018, any codes of conduct or practice made under section 117(1) of the Central Bank Act 1989, any applicable requirements of

the MiFID Regulations, any applicable requirements imposed, or deemed to have been imposed, by the Central Bank of Ireland pursuant to the MiFID Regulations or the Central Bank Acts 1942 to 2018 and, where applicable, any applicable requirements imposed by the European Central Bank pursuant to European Union legislation; and

(iv) Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the European Union (Market Abuse) Regulations 2016 and any Irish market abuse law, as defined in those Regulations or the Companies Act 2014, and any rules made and guidance issued by the Central Bank of Ireland in connection therewith.

References in this section to any legislation (including, without limitation, European Union legislation) shall be deemed to refer to such legislation as the same has been or may from time to time be amended, supplemented or replaced and shall include reference to all implementing measures, delegated acts and guidance in respect thereof.

Hong Kong

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes, except for Notes which are a "structured product" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**"), other than (1) to "professional investors" as defined in the SFO and any rules made under the SFO; or (2) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

People's Republic of China

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that neither it nor any of its affiliates has offered or sold or will offer or sell any of the Notes in the PRC (excluding the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan Region). The Base Prospectus or any information contained or incorporated by reference therein does not constitute an offer to sell or the solicitation of an offer to buy any securities in the PRC. The Base Prospectus, any information contained therein or the Notes have not been, and will not be, submitted to, approved by, verified by or registered with any relevant governmental authorities in the PRC and thus may not be supplied to the public in the PRC or used in connection with any offer for the subscription or sale of the Notes in the PRC.

The Notes may only be invested by the PRC investors that are authorised to engage in the investment in the Notes of the type being offered or sold. Investors are responsible for informing themselves about and observing all legal and regulatory restrictions, obtaining all relevant governmental approvals, verifications, licences or registrations (if any) from all relevant PRC governmental authorities, including, but not limited to, the People's Bank of China, the State Administration of Foreign Exchange, the China Securities Regulatory Commission, the National Administration of Financial Regulation, other relevant regulatory bodies and successors of the aforementioned governmental and regulatory bodies, and complying with all relevant PRC regulations, including, but not limited to, any relevant foreign exchange regulations and/or overseas investment regulations.

Singapore

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, or (b) to an accredited investor (as defined in Section 4A of the SFA) pursuant to, and in accordance with the conditions specified in Section 275 of the SFA.

Certain Restrictions applicable to Notes issued in Singapore dollars:

Notes issued in Singapore dollars by a person carrying on a deposit-taking business (whether in Singapore or elsewhere) with a maturity period of less than 12 months and a denomination of less than S$200,000 would be treated as deposits for the purposes of the Banking Act 1970 of Singapore (the "**Singapore Banking Act**"), unless the Notes are issued to certain persons as prescribed under the Banking Regulations.

Where any Notes are issued by the Issuer (other than through its Singapore Branch) in Singapore dollars and with a denomination of less than S$200,000, then even if the Notes are not deposits, the following information is required to be provided pursuant to Regulation 6 of the Banking Regulations made under the Singapore Banking Act:

(A) the place of booking of the Notes (i.e. the head office or branch of the Issuer through which the Notes are issued) (the "**Issuing Branch**") is not Singapore;

(B) the Issuing Branch is not regulated or authorised by the Monetary Authority of Singapore; and

(C) repayment under the Notes is not secured by any means.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**FIEA**") and, accordingly, each Dealer has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan or to others for re-offering or resale, directly or indirectly, in Japan or to any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and other relevant laws and regulations of Japan. As used in this paragraph, "resident of Japan" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

France

Each Dealer has represented, warranted and undertaken and each further Dealer appointed under the Programme will be required to represent, warrant and undertake, that it has not offered or sold, and will not offer or sell, directly or indirectly, any Notes to the public in the Republic of France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties, (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*) as defined in Article 2(e) the Prospectus Regulation in accordance with Articles L. 341-2, 1° and L.411-2, 1° of the French *Code monétaire et financier.*

Luxembourg

Notes with a maturity of less than 12 months that qualify as securities and money market instruments in accordance with article 17(1) of the Luxembourg Prospectus Law may not be offered or sold to the public within the territory of the Grand Duchy of Luxembourg ("**Luxembourg**") unless: (i) a simplified prospectus (*prospectus allégé*) has been duly approved by the CSSF pursuant to part III of the Luxembourg Prospectus Law; or (ii) the offer benefits from an exemption to or constitutes a transaction not subject to, the requirement to publish a simplified prospectus under part III of the Luxembourg Prospectus Law and any additional requirements under part III of the Luxembourg Prospectus Law are complied with.

Australia

No prospectus or other disclosure document (as defined in the Corporations Act 2001 of Australia (the "**Corporations Act**")) in relation to the Programme or any Notes has been or will be lodged with the Australian Securities and Investments Commission (the "**ASIC**"). Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that in connection with the distribution of the Notes it:

(a) will not make (directly or indirectly) any offer or invitation in Australia or any offer or invitation which is received in Australia in relation to the issue, sale or purchase of any Notes; and

(b) has not distributed or published, and will not distribute or publish, any information memorandum, advertisement, disclosure document or other offering material relating to the Notes in Australia,

unless (i) the aggregate consideration payable by each offeree or invitee is at least A$500,000 for the Notes or its foreign currency equivalent (in either case disregarding moneys, if any, lent by the Issuers or any other person offering the Notes or its associates (within the meaning of those expressions in Part 6D.2 of the Corporations Act)), or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or Part 7.9 of the Corporations Act, (ii) the offer or invitation is not made to a person who is a retail client (as defined in section 761G or 761GA of the Corporations Act), (iii) such action complies with all applicable laws, regulations and directives and (iv) such action does not require any document to be lodged or registered with ASIC.

General

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or delivers and none of the Issuers, the Guarantor (where applicable), the Trustee and the other Dealers shall have any responsibility thereof.

Other than with respect to the admission to listing, trading and/or quotation by such one or more competent authorities, stock exchanges and/or quotation systems as may be specified in the Final Terms, no action has been or will be taken in any country or jurisdiction by the relevant Issuer, the Guarantor (where applicable) or the Dealers that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any country or jurisdiction where action for that purpose is required. Persons into whose hands this Base Prospectus or any Final Terms comes are required by the relevant Issuer, the Guarantor (where applicable) and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute such offering material, in all cases at their own expense.

The Dealer Agreement provides that the Dealers shall not be bound by any of the restrictions relating to any specific jurisdiction (set out above) to the extent that such restrictions shall, as a result of change(s) or change(s) in official interpretation, after the date hereof, of applicable laws and regulations, no longer be applicable but without prejudice to the obligations of the Dealers described in the paragraph headed "*General*" above.

Selling restrictions may be supplemented or modified with the agreement of the relevant Issuer and, if applicable, the Guarantor. Any such supplement or modification may be set out in the relevant Final Terms

(in the case of a supplement or modification relevant only to a particular Tranche of Notes) or in a supplement to this Base Prospectus.

GENERAL INFORMATION

Listing, Approval and Admission to trading of the Notes to the Luxembourg Stock Exchange

This Base Prospectus has been approved by the CSSF as a base prospectus. Application has been made for Notes issued under the Programme to be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the regulated market of the Luxembourg Stock Exchange.

However, Notes may be issued pursuant to the Programme which are admitted to listing, trading and/or quotation by such competent authority, stock exchange and/or quotation system as the Issuer(s) and the relevant Dealer(s) may agree or which are not admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system. The CSSF may at the request of the Issuers, send to the competent authority of another European Economic Area Member State (i) a copy of this Base Prospectus; and (ii) an Attestation Certificate. At the date hereof, the Issuers have requested the CSSF to send an Attestation Certificate and copy of this Base Prospectus to the Central Bank of Ireland in its capacity as competent authority in Ireland.

Authorisations

The establishment and update of the programme and the increases in the aggregate nominal amount of all Notes from time to time outstanding under the Programme were authorised by resolutions of the Boards of Directors of Banca Intesa S.p.A passed on 19 March 2001, 24 June 2003, 26 April 2005 and 6 March 2006 and of the Management Board of Intesa Sanpaolo passed on 18 June 2007, 28 October 2008, 6 September 2011, 15 January 2013 and 27 March 2014. The addition of INSPIRE as an Issuer under the Programme was authorised by a resolution of the Board of Directors of INSPIRE passed on 15 February 2007. The addition of Intesa Luxembourg as an Issuer under the Programme was authorised by a resolution of the Board of Directors of Intesa Luxembourg passed on 19 October 2011. Each of Intesa Sanpaolo, INSPIRE and Intesa Luxembourg has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes and the giving of the guarantee relating to them.

Conditions for determining price

The price and amount of Notes to be issued under the Programme will be determined by the Issuers and the relevant Dealer at the time of issue in accordance with prevailing market conditions.

Litigation

Save as disclosed on pages 307 to 329 none of the Issuers, the Guarantor or any member of the Intesa Sanpaolo Group is or has been involved in any governmental, legal, arbitration or administrative proceedings in the 12 months preceding the date of this document relating to claims or amounts which may have, or have had in the recent past, a significant effect on the Intesa Sanpaolo Group's financial position or profitability and, so far as Intesa Sanpaolo or, as the case may be or INSPIRE (where INSPIRE is the Issuer) or, as the case may be, Intesa Luxembourg (where Intesa Luxembourg is the Issuer), is aware, no such litigation, arbitration or administrative proceedings are pending or threatened.

Independent Auditors

On 30 April 2019, the ordinary shareholders' meeting of Intesa Sanpaolo appointed EY S.p.A. as independent auditors for the financial years 2021-2029. EY S.p.A. is an independent public accounting firm registered under no. 70945 in the Register of Accountancy Auditors (Registro Revisori Contabili) held by the Italian Ministry for Economy and Finance pursuant to Legislative Decree No. 39 of 27 January 2010 and the Ministerial Decree No. 145 of 20 June 2012. EY S.p.A. is also a member of the ASSIREVI – Associazione Nazionale Revisori Contabili, being the Italian Auditors Association. The business address of EY S.p.A. is Via Meravigli 12, 20123 Milan, Italy. EY S.p.A. audited, in accordance with International Standards on Auditing (ISA Italia), the consolidated financial statements of the Intesa Sanpaolo Group, as at and for the years ended 31 December 2022 and 2021, as stated in the English translation of their audit reports incorporated by reference into this Base Prospectus. Further, EY S.p.A. reviewed, in accordance with CONSOB Regulation No.10867 of 31 July 1997, the unaudited condensed consolidated half-yearly financial statements of the Intesa Sanpaolo Group as at and for the six months ended June 30, 2023 and 2022, as stated in the English translation of their review reports incorporated by reference in this Base Prospectus.

Ernst & Young Chartered Accountants is an independent registered public accounting firm and a member of the Institute of Chartered Accountants in Ireland. The business address of Ernst & Young Chartered Accountants is Harcourt Centre, Harcourt Street, Dublin 2, DO2 YA40. Ernst & Young Chartered Accountants audited, in accordance with International Standards on Auditing (Ireland) and applicable law, the financial statements of INSPIRE as at and for the years ended 31 December 2022 and 2021, as stated in their audit reports incorporated by reference into this Base Prospectus.

Ernst & Young, Société Anonyme is an independent registered public accounting firm and a member of the Luxembourg Institute of Registered Auditors (*Institut des Réviseurs d'Entreprises*) qualifying as cabinet de révision agréé. The business address of Ernst & Young, Société Anonyme is 35e, John F. Kennedy Avenue, 1855 Luxembourg. Ernst & Young, Société Anonyme audited, in accordance with generally accepted auditing standards in Luxembourg, the financial statements of Intesa Luxembourg as at and for the years ended 31 December 2022 and 2021, as stated in their audit report incorporated by reference into this Base Prospectus.

Trend information / No Material Change

Since (i) 31 December 2022, there has been no material adverse change in the prospects of the Issuers, (ii) 30 September 2023, there has been no significant change in the financial performance of the Intesa Sanpaolo Group and (iii) 30 September 2023, there has been no significant change in the financial position of the Intesa Sanpaolo Group.

Since 30 September 2023 (in the case of Intesa Sanpaolo), 30 June 2023 (in the case of INSPIRE) or 31 December 2022 (in the case of Intesa Luxembourg), there has been no significant change in the financial position of the Issuers, respectively.

Material contracts

None of Intesa Sanpaolo, INSPIRE, Intesa Luxembourg and Intesa Sanpaolo's other subsidiaries has entered into any contracts in the last two years outside the ordinary course of business that have been or may reasonably be expected to be material to the Issuers' ability to meet their obligations to Noteholders.

Documents available for inspection

In addition to the availability of the Base Prospectus and documents incorporated by reference therein in electronic form as set out below, for so long as the Programme remains valid with the Luxembourg Stock Exchange or any Notes shall be outstanding, copies and, where appropriate, the following documents (translated into English, where applicable) may be obtained by the public during normal business hours at the specified office of the Principal Paying Agent and the Listing Agent in Luxembourg and at the registered offices of the Issuers, namely:

(a) this Base Prospectus and any supplements to this Base Prospectus (together with any prospectuses published in connection with any future updates in respect of the Base Prospectus) and any other information incorporated herein or therein by reference;

(b) a certified copy of the constitutive documents of Intesa Sanpaolo, INSPIRE and Intesa Luxembourg;

(c) the Agency Agreement for the English Law Notes;

(d) the Agency Agreement for the Italian Law Notes;

(e) the Trust Deed (incorporating a form of the Deed of Guarantee by Intesa Sanpaolo in respect of payment of amounts due in relation to Notes issued by INSPIRE or Intesa Luxembourg, and any further issuer that may be appointed from time to time under the Programme);

(f) any Final Terms relating to Notes which are listed on any stock exchange (save that Final Terms relating to Notes which are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by the relevant Noteholders and such holder must produce evidence satisfactory to the Issuers and the Listing Agent as to its holding of Notes and identity);

(g) any Deed of Guarantee relating to Notes which are listed on any stock exchange (save that a Deed of Guarantee relating to Notes which are neither admitted to trading on a regulated market in the European Economic Area nor offered in the European Economic Area in circumstances where a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by the relevant Noteholders and such holder must produce evidence satisfactory to the Issuers and the Listing Agent as to its holding of Notes and identity);

(h) any supplemental agreement prepared and published in connection with the Programme;

(i) the Green, Social and Sustainability Bond Framework together with any opinion on each such framework issued by a second party consultant as well as any public reporting by or on behalf of Intesa Sanpaolo in respect of the application of the proceeds of any issue of Green Bonds, Climate Bonds, Social Bonds and Sustainability Bonds, from time to time published by Intesa Sanpaolo, will be available in the investor relations section on the website of Intesa Sanpaolo. For the avoidance of doubt, neither the Green, Social and Sustainability Bond Framework nor any second party opinion or public reporting are incorporated in and/or form part of this Base Prospectus.

In addition, copies of this Base Prospectus, any supplements to this Base Prospectus, each Final Terms relating to syndicated issuances of Notes which are admitted to trading on the Luxembourg Stock Exchange's regulated market and each document incorporated by reference are available on the Luxembourg Stock Exchange's website (*https://www.LuxSE.com*), and at the following website:

https://group.intesasanpaolo.com/en/investor-relations/prospectus/international-issue-documents/mtn

Copies of the constitutive documents of each of Intesa Sanpaolo, INSPIRE and Intesa Luxembourg are available at the following website:

Intesa Sanpaolo: https://group.intesasanpaolo.com/en/governance/company-documents/2022

INSPIRE: http://www.intesasanpaolobankireland.ie/about/

Intesa Luxembourg: https://www.intesasanpaolobankluxembourg.lu/en/documentation

Copies of the Deed of Guarantee in relation to syndicated issuances of Notes issued by INSPIRE and Intesa Luxembourg which are Guaranteed Notes are available at the following website:

https://group.intesasanpaolo.com/en/investor-relations/prospectus/international-issue-documents/mtn

The information on the abovementioned websites does not form part of this Base Prospectus unless information contained therein is expressly incorporated by reference into this Base Prospectus.

Financial statements available

In addition to the availability of the documents incorporated by reference in this Base Prospectus in electronic form as set out above, for so long as the Programme remains in effect or any Notes shall be outstanding, copies and, where appropriate, English translations of the following documents may be obtained during normal business hours at the specified office of the Luxembourg Listing Agent, Intesa Sanpaolo Bank Luxembourg S.A., at 28, Boulevard de Kockelscheuer, L-1821 Luxembourg, Grand Duchy of Luxembourg and at the registered offices of the Issuers and the Guarantor:

(a) the audited consolidated annual financial statements of Intesa Sanpaolo as at and for the years ended 31 December 2021 and 2022;

(b) the unaudited consolidated half-yearly financial statements of Intesa Sanpaolo as at and for the six months ended 30 June 2022;

(c) the audited annual financial statements of INSPIRE as at and for the years ended 31 December 2021 and 2022;

(d) the audited annual financial statements of Intesa Luxembourg as at and for the years ended 31 December 2021 and 2022;

(e) the audited consolidated annual financial statements of Intesa Luxembourg as at and for the years ended 31 December 2021 and 2022;

(f) the most recent annual or unaudited interim consolidated financial information of Intesa Sanpaolo published from time to time (whether audited or unaudited), commencing with its unaudited consolidated half-yearly financial statements as at and for the six months ended 30 June 2023;

(g) the most recent annual or unaudited interim consolidated financial information of Intesa Sanpaolo published from time to time (whether audited or unaudited), commencing with its unaudited consolidated financial statements as at and for the nine months ended 30 September 2023; and

(h) the most recent annual or interim financial information of INSPIRE published from time to time (whether audited or unaudited), commencing with its unaudited half-yearly financial statements as at and for the six months ended 30 June 2023,

in each case, together with the accompanying notes and any auditors' report.

INSPIRE does not currently publish any consolidated financial information.

The Trust Deed provides that the Trustee may rely on certificates or reports from EY S.p.A. (the "**Auditors**") whether or not any such certificate or report or engagement letter or other document entered into by the Trustee and the Auditors in connection therewith contains any limit on liability (monetary or otherwise) of the Auditors.

Post-issuance information

The Issuers do not intend to provide any post-issuance information in relation to any assets underlying issues of Notes constituting derivative securities except to the extent required by any applicable laws and regulations.

Clearing systems

The Notes in Physical Form have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and the ISIN for each Tranche of Notes in Physical Form allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Notes in Physical Form are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy, L-1855 Luxembourg.

The Dematerialised Notes have been accepted for clearance by Monte Titoli. The Dematerialised Notes will be held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli S.p.A. (with registered office and principal place of business at Piazza degli Affari 6, 20123 Milan, Italy), for the account of the relevant Monte Titoli Account Holders (including Euroclear and Clearstream Banking). The relevant Final Terms (or Drawdown Prospectus, as the case may be) shall specify any other clearing system as shall have accepted the relevant Dematerialised Notes for clearance together with any further appropriate information.

LEI Code

The Legal Entity Identifier ("**LEI**") Code of Intesa Sanpaolo is **2W8N8UU78PMDQKZENC08,** the LEI Code of Intesa Luxembourg is **549300H62SNDRT0PS319**, and the LEI Code of INSPIRE is **635400PSMCTBZD9XNS47**.

Declaration of the officer responsible for preparing Intesa Sanpaolo's financial reports

The officer responsible for preparing the company's financial reports, Fabrizio Dabbene, declares, pursuant to paragraph 2 of Article 154-*bis* of the Consolidated Law on Finance (Legislative Decree No. 58 of 24 February 1998, as amended and supplemented from time to time) that the accounting information contained

in this Base Prospectus corresponds to Intesa Sanpaolo's documentary results, books and accounting records.

Dealers transacting with the Issuers

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuers and their affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuers and their affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities. In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuers or their affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers routinely hedge their credit exposure to the Issuers consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of long and/or short positions in securities, including potentially the Notes issued under the Programme. Any such long and/or short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments. Moreover Intesa Sanpaolo S.p.A. will be acting as Issuer and Dealer in the context of the Programme.

ANNEX 1
FURTHER INFORMATION RELATED TO INFLATION-LINKED NOTES

The Issuers can issue Notes which are linked to an Inflation index pursuant to the Programme, where the underlying index is either (i) the CPI (the "**CPI Linked Notes**"), (ii) the U.K. Retail Price Index (RPI) (all items) published by the Office of National Statistics ("**RPI Linked Notes**") or (iii) the Non-revised index of Consumer Prices excluding tobacco, measuring the rate of inflation in the European Monetary Union excluding tobacco published by Eurostat (HICP) ("**HICP Linked Notes**"). The following information provides an explanation to prospective investors about how the value of the Inflation-Linked Notes is affected by the value of the underlying index.

"**CPI**" or "**ITL" – Inflation for Blue Collar Workers and Employees – Excluding Tobacco**

"**Consumer Price Index Unrevised**" means, subject to the Conditions, the "*Indice dei prezzi al consumo per famiglie di operai e impiegati (FOI), senza tabacchi*" as calculated on a monthly basis by the ISTAT – Istituto Nazionale di Statistica (the Italian National Institute of Statistics) (the "**Index Sponsor**") which appears on Bloomberg Page ITCPIUNR (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor, for the purpose of displaying the level of such index), *provided that* for the purposes of the calculation of the Rate of Interest and the Final Redemption Amount, the first publication or announcement of a level of the Index (excluding estimates) by the Index Sponsor for a given month shall be final and conclusive and later revisions of the level for such month will not be used in any calculations.

UK Retail Price Index

The U.K. Retail Prices Index (the "**RPI**") is the most familiar general purpose domestic measure of inflation in the UK. The RPI has been used as a measure of inflation since 1947 and measures the average change from month to month in the prices of goods and services purchased by most households in the UK. The spending pattern on which the RPI is based is revised each year, mainly using information from official expenditure and food surveys.

RPI is compiled by the UK Office of National Statistics (the "**ONS**") using a large and representative selection of approximately 650 separate goods and services for which price movements are regularly measured in approximately 150 areas throughout the UK. Approximately 120,000 separate price quotations are used each month in compiling the RPI. The UK Government uses the RPI for its own existing inflation-linked Notes. If prices rise compared to the previous month, the RPI goes up and if prices fall compared to the previous month, the RPI goes down. It takes a couple of weeks for the ONS to compile the index, so they publish each month's RPI figure during the following month, i.e. the figure relating to February will be published in March. The RPI figures used in the calculation of interest payments on the RPI Linked Notes and the amount due to be repaid on the RPI Linked Notes at redemption are numerical representations of where prices on a list of items bought by an average family stand at a point in time, in relation to their past values.

More information on the RPI, including past and current levels, can be found at *www.statistics.gov.uk*.

Eurostat Eurozone Harmonised Indices of Consumer Prices excluding Tobacco Unrevised Series Non Seasonal Adjusted

The Eurozone Harmonised Index of Consumer Prices excluding Tobacco (HICP), as calculated and published by EUROSTAT and the national statistical institutes in accordance with harmonised statistical methods (the "**HICP**") is an economic indicator constructed to measure the changes over time in the prices of consumer goods and services acquired by households in the Eurozone. Following the Maastricht Treaty, the HICPs have been used as convergence criteria and the main measure for monitoring price stability by the European Central Bank in the Euro area, as well as for use on international comparison.

HICP is the aggregate of the Member States' individual harmonised index of consumer prices excluding tobacco ("**Individual HICP**"). Each country first publishes its Individual HICP in conjunction with its consumer price index. Thereafter, Eurostat aggregates the Individual HICPs and publishes an HICP for the Eurozone, as well as a breakdown by item and by country. In any specific year, each country's weight in the HICP for the Eurozone equals the share that such country's final household consumption constitutes

within that of the Eurozone as a whole for the year that is prior to that specified year. These weights are re-estimated every year in the January publication of the HICP.

HICP is said to be harmonised because the methodology and nomenclatures for the index of prices are the same for all of the countries in the Eurozone and the European Union. This makes it possible to compare inflation among different Member States of the European Union. Emphasis is placed on the quality and comparability of the various countries' indices.

HICP is calculated as an annual chain-index, which makes it possible to change the weights every year. This also makes it possible to integrate new entrants, as in the case of Greece in January 2001. If a new entrant is integrated in a specific year, it is included in the Eurozone HICP starting from January of that year. The new Member State's weight is included in the annual revaluation of the HICP.

HICP is published every month on Eurostat's internet site, according to a pre-determined official timetable. Publication generally occurs around the 14th – 16th day of the following month. If a revision is made, it is published with the HICP of the following month.

Base Year Change

In Europe, the national statistics institutes change the base year of their price indices every 5 to 10 years. This procedure is necessary to ensure that the index follows changes in the consumption pattern through a new consumer spending nomenclature. The resetting of the base generally accompanies changes in the definition of household consumption that occur when the national accounting system is modified. Since 2006, the index reference period has been set to 2005 = 100. In order to obtain a common price reference period, too, the weights for each year are "price updated" to December of the previous year.

More information on the HICP, including past and current levels, can be found at: https://ec.europa.eu/eurostat/web/hicp

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